THE FINANCIAL POST

The Canadian Newspaper for Businessmen and Investors

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JANUARY 17, 1942 | 10c a Copy: $5.00 a Year | No. 3

Be Sure to Read

Sees Higher Stock Market 20
Mines 'Dodos' To Keep . 19
Blackouts & Insurance . . . 8

The Nation's Business

U. S. Sets Example in War Output Control

President Roosevelt has taken a decisive move toward better planning and direction of war production in the United States. He has appointed Donald M. Nelson as "general manager" of the gigantic industrial job of producing the weapons of war to which the United States has committed itself.

These points stand out in the nomination of Mr. Nelson as chairman of the War Production Board.

1. A businessman has been chosen for what is essentially a business job.

2. The new administrator is completely detached from party politics and from bureaucratic controls.

3. He has complete authority over war supply in all fields—including the needs of the army and the navy and the two air forces.

4. He has been given complete authority to reorganize American industry for all-out production.

The precedent is one that Canada will inevitably find it desirable to follow.

The driving energy of Canada's Minister of Munitions and Supply, together with the skillful direction given to various parts of our weapons programme by the industrialists he has called in to assist him, have combined to give Canada a creditable record in war production. But the new and more critical aspect of the war merely emphasizes what many people in Canada have long recognized—that an even larger programme is not only possible but essential. To draft and carry it out will call for such co-ordination and for such executive direction as cannot possibly be obtained under our present system.

In its setting up a one-man, business control of war production, the United States has moved ahead of both Britain and Canada. Britain still suffers from lack of unified planning. It still has three separate War Supply bodies, buying for the three branches of the fighting services. As this week's article from Great Britain outlines (page 11) an urgent demand is being voiced in responsible circles in Britain for a single Ministry of Production.

President Roosevelt has made a bold and sensible move. Eighteen months ago, The Financial Post forecast that both Canada and the United States would inevitably come to such a businesslike plan. Washington has taken the lead and Canada should not delay in following. There is no time to waste in supplying our fighting men with the tools they must have to win.

* * *

PARTY POLITICS OUT IN BRITAIN

In Great Britain, party controversy has been almost wholly stilled for the duration of the period of "blood, sweat, toil and tears." There is a truce to elections and by-elections. There is virtually no jockeying for political advantage inside or outside the House of Commons and the House of Lords.

Despite the end to partisan strife, there is much searching inquiry into every aspect of the government's management of the enquiry into every aspect of the government's management of the But the watch-dogs of the press and Parliament do not carry on in a partisan spirit; they stand together with the government in seeking a maximum national effort. When they criticize they do so as individuals and not as "Opposition" spokesmen. When they ask questions they do so not to embarrass the government but to keep it from falling into the pit of unhealthy complacency.

Britain has a National government that is "national" in a very broad sense. It is national in that Mr. Churchill was not bound and tied by any necessity to restrict his selections to men of the same party as himself. It is national in the sense that most of its members represent the nation first and party groups second.

Yet no one would suggest—and the British people do not believe—that Mr. Churchill has gone as far as possible in giving Britain a cabinet representing the utmost that the word "national" could mean. The British people would be happy to see some of the "Old Gang" eliminated. They would be happy if Mr. Churchill relieved more of his associates of their routine departmental responsibilities to give the country an Inner War Cabinet with more time to plan and co-ordinate the manifold phases of the nation's war activities.

The fact that Canada has a government which is to all intents and purposes a one-party government — a government whose party character invites partisan opposition — is definitely hampering this country in the conduct of the war. Mr. King departed from the strictly one-party government when he invited Hon. Humphrey Mitchell into his cabinet as Minister of Labor. It was a splendid move; splendid primarily because Mr. Mitchell had demonstrated himself to be the man for the job; splendid, too, because Mr. King for once failed to apply the test of party loyalty in the appointment; splendid because Mr. Mitchell has the confidence of labor in Canada.

Having set himself so good an example, Mr. King should go further. He should follow Britain in giving the country a national government that can unite the country.

* * *

END THIS "CONSCRIPTION" NONSENSE

Canadians of French extraction have made it abundantly clear that they are just as much interested in this war of survival as their fellow citizens of other racial ancestry. They realize as never before that their special privileges of language, laws, religion and customs, their prosperity along with the rest of the country in Canada's vital foreign trade, is directly menaced by an Axis win. And yet they are largely blamed for the delay of Canada in taking the next inevitable step toward a really full out war effort—selective compulsory service.

The fault does not lie with the average citizen of French-speaking Canada, but with a few of their self-appointed leaders. These individuals, instead of preparing the people of Quebec for a full call on all our man power resources, of explaining to them, that only through such a call can their birthright be protected, have actually retarded the inevitable step by dragging out the old bogey of military conscription.

Politicians of all shades of opinion and a large number of journalists, asserts Jean-Charles Harvey, editor of Le Jour, have created in the Province of Quebec since 1917 an anti-conscriptionist complex. "It has reached such a point that the very word is more terrible than the thing itself," states Mr. Harvey.

And this same campaign is being used today in an attempt to dam the rising tide for selective compulsory service, to keep this great Dominion from playing its full and equal part alongside Great Britain and the United States.

Once and for all let us end this old bogey of military conscription. It has nothing to do with the present much broader, much saner appeal, whereby each man and woman would be called upon to serve the nation's war effort in the position where he or she is best fitted to serve. That may be on the farms producing foods for ourselves and our British Allies. It may be in a factory producing shells, tanks or guns. It may be in one of the branches of the fighting forces. Emphatically, selective service is not a revival of press gang methods.

It is full mobilization of the nation's man power to produce our maximum strength in food, war equipment, and fighting forces, so that we can win this war in the shortest possible time and at the minimum of sacrifice of blood. It is the duty of every Canadian leader, French or English speaking; it is the duty of Prime Minister King to explain our critical need for a full mobilization of man power resources. And when that position has been explained neither the French-speaking citizens of Canada nor any other group will be found lagging in performing their duty.

Wide Reorganization Facing Rubber Firms After Ban on Tires

• Lower Profits and Staff Realignments Predicted But Research Staffs Already on Trail of New Products

Sweeping changes under way in the Canadian rubber processing industry follow upon latest governmental restrictions. For some companies these will mean realignment of production setups, lay offs, a drop in profit. Other firms are hopeful that careful management and diversification will enable them to weather the storm fairly satisfactorily.

Manufacturers of passenger car tires, of course, will be hard hit. No. 1 company in this line is Goodyear Tire. While the tonnage of rubber formerly used in tire making will still be used up there will be a reduction in the number of units produced which will have an effect on the payroll.

Some employees will be switched to other departments. Big demand for industrial goods and increasing war requirements are a help in this respect.

One company is faced with a particularly ticklish employment problem. It has put new employees on war work with the idea that when the war was over older employees would still be working on civilian requirements and need not be disturbed. However, the elimination of a large part of civilian rubber goods means finding new work for older employees and to train them for war work would take possibly six weeks to two months.

That there will be a general decrease in the level of profits for Canadian rubber companies this year appears likely. War business is usually negotiated on a cost plus 5% basis which is a good deal narrower profit margin than normal peacetime business.

Some firms are more fortunate than others in their chances of maintaining profits. Those who produce industrial and mechanical goods on a large scale should still be able to keep going at a high rate of activity. The larger rubber companies have well equipped engineering divisions and machine shops that are already working on war business not connected with the rubber trade.

For others, however, the effect of recent orders is drastic. Such articles as golf balls, suspenders, girdles, rubber heels and soles, all types of footwear except black rubbers are now out. Elastic bands are in a similar situation. In this latter connection formulas are being worked out for reducing the very high crude rubber content of the ordinary elastic band. If this research is successful the producing companies are hopeful of getting the ban modified as it is claimed the elastic band is used for a large number of essential purposes. Jem, Viceroy and Goodrich are large rubber band producers.

Restrictions are already having a very material influence on small plants. One firm on the outskirts of Toronto has already cut its production by 50% and has materially reduced staff. It is awaiting war orders and equipment that will take two to four months to come through.

A. G. Partridge, president of Goodyear Tire, recently said that there is sufficient rubber on hand in Canada to take care of vital requirements for a year with conservation. Other sources in the rubber trade, however, view this as rather too optimistic.

In the longer term, the U. S. $400 millions programme for making synthetic rubber will benefit Canada. It is estimated this programme will virtually end the rubber shortage in 18 months. So far, there are no plans for synthetic rubber production in Canada.

Two Plane Firms To Be Wound Up

By STAFF WRITER

OTTAWA. — Official announcement of the winding up of Canadian Associated Aircraft, Ltd., of Montreal and Federal Aircraft, Ltd., of Montreal as soon as their present programmes are completed, has been made by Ralph P. Bell, director-general of aircraft production.

Canadian Associated is now nearing completion on an order for 160 twin-engined Hampden bombers, and Federal has total orders on its books for 1,400 Canadian Ansons, Mr. Bell said:

"The facilities utilized both by Canadian Associated Aircraft, Ltd., and Federal Aircraft, Ltd., will, on completion of their present orders be absorbed by the industry in the production of other types."

Canadian Associated, Mr. Bell indicated, will wind up in the early spring of 1942 with a total production "of 160 of the largest twin-engined bombers in the Empire."

Howe Has Wide Power In Tariff Exemptions

Customs Charges Still Levied on All War Imports Exclusively For Canada — For Our Allies, Charges Already Dropped

By STAFF WRITER

OTTAWA.—Despite much wider powers granted the Minister of Munitions and Supply last November, exemption of war materials and supplies from customs, tariff and import taxes has been extended as yet only to items purchased for United Kingdom, Allied or joint Canada-U.K. account, The Financial Post is informed.

The extent of tariff exemption in Canada in respect of war materials and supply is of wide concern in view of the proposal now under consideration by both governments, to exempt all war materials and supplies from tariff and tax imports for the duration of the war. There is presently no exemption for imports on Canadian government war supply account.

Chronology of the present Canadian tariff exemption in respect of U.K. materials, machinery and war equipment is briefly as follows:

1. Traditionally, under item 708, Canadian customs tariff, all imports entering directly or indirectly into the production of war supplies for the United Kingdom are exempt from tariff and tax imposts. This was formally confirmed at the outbreak of war by official bulletins specifying lists of materials, equipment, etc., so exempt.

2. Because of difficulties in accounting administration, etc., the form of this exemption was later changed. April 11, 1941, it was provided by P.C. 1/2540 that contractors were in future to pay such duties and taxes in full and later be reimbursed by the government.

3. The exemption has been extended to purchases of war equipment by all governments of Allied Nations, including more recently the United States.

4. On Nov. 3, 1941, power was granted the Minister of Munitions and Supply or his agents under P.C. 1/8255 to issue certificates permitting entry of munitions of war and supplies free of all duties and taxes.

It is this last order-in-council which has created considerable mis-

(Continued on page 2, col. 3)

Vast New Canadian Industry

Clouds of new planes in Canadian skies has meant the birth of a giant new Canadian industry—airplane overhaul and repair. Planes in use for training and coastal defense this year will be double 1941's total of 5,000. To keep them flying will take $100 millions against $25 millions last year, employ 20,000 against last year's 5,000, require another 300,000 square feet of floor space to be added to the 900,000 square feet already existent. Indication of size of the programme is that the 1942 expenditure will be only 16% less than the pre-war output of Canada's great automobile industry. The programme will occupy 74 plants.

Transport Titans Lock Horns?

Trans-Canada Airlines Wants Alaska Run

By RONALD A. KEITH
Editor, Canadian Aviation

A battle royal of mighty airline interests over operating rights to the Yukon and Alaska was foreshadowed in the recent annual review of Trans-Canada Air Lines by H. J. Symington, K.C., president.

This development would bring into conflict the two Canadian transport titans—on the one side, Canadian National Railways and its running mate also publicly owned, Trans-Canada Air Lines, and on the other side, Canadian Pacific Railway and its newly consolidated network of airline subsidiaries under the general name of Canadian Pacific Air Services.

In his presidential address, Mr. Symington said:

"T.C.A. anticipates that its services to Newfoundland and Alaska will be inaugurated as soon as aircraft of the appropriate type can be obtained, the provision of service to those territories by Trans-Canada having been decided upon."

The anticipated extensions to Newfoundland and Alaska involve far more than merely stretching T.C.A.'s present 19,000-miles a day mileage. The route from Charlottetown to Newfoundland Airport in itself would hardly be worth operating, but it is the first lap on the trans-Atlantic run.

Trans-Canada normally would consider Edmonton-Whitehorse as a feeder service, but this route to Yukon is also the aerial pathway to the Orient.

It is improbable that Trans-Canada will encounter any difficulty in extending to Newfoundland, although an American operator, Northeast Airlines, Inc., has already made official application for rights to launch a service from Bangor, Maine, across New Brunswick to circuit Newfoundland.

The proposed extension to Yukon and Alaska is another matter entirely.

Two There Already

There are already two front-rank airline companies, one Canadian and one American, providing service to Yukon and Alaska respectively, Pan American Airways and Yukon Southern Air Transport, subsidiary of Canadian Pacific Air Services.

Years before T.C.A. was born, the possibilities of the Yukon route fired the imagination of a youthful bush pilot, Grant McConachie. He was encouraged by the Department of Transport and eventually got mail contract from the Post Office Department, with the result that in July, 1937, a McConachie airline inaugurated weekly air mail and passenger service between Edmonton, Alberta and Whitehorse, Yukon.

The mail was first flown with an antiquated tri-motored Ford, better

(Continued on page 2, col. 6)

Bomb Insurance Problem Pending

By STAFF WRITER

OTTAWA.—No report has yet been prepared on the question of bomb insurance in Canada.

This question is under special study by the War Risks Insurance and Bombardment Compensation Committee of which R. K. Smith of the National Harbours Board is chairman. As yet the committee has made no recommendations as to what action should be taken.

The W.R.I.B.C. committee has been operative since the beginning of the war. Originally it operated as a subcommittee of the Defense Co-ordination Committee. For the past year it has functioned independently and reports directly to whatever minister is most concerned with its findings.

It is composed of nine members drawn from various interested government departments.

Algoma Steel Boosts Pig Iron Output

By STAFF WRITER

OTTAWA.—A programme for increasing by 67% the pig iron capacity of the Algoma Steel Corp. is now under way. It will add approximately 450,000 tons capacity to the mill. Present pig iron capacity is about 675,000 tons.

The project involves two operations.

The first is rehabilitation of an old furnace which needed relining and rebuilding. It is expected that this furnace will be in production by August, 1942.

In addition, one new furnace will be constructed which will not be ready, according to present plans, until the spring of 1943. Construction of coke ovens and other subsidiary equipment will be necessary to enlarge production on the basis now planned.

Present munitions output in Canada is slated to require about four million tons of steel during 1942. This includes alloy and armor plate requirements. Of this total about 1,750,000 tons will be required as imports from the United States.

Recent enlargement of the U. S. procurement programme and the certainty that Canada's war programme will also be stepped up from time to time in the future may considerably alter this estimate in the next few months. In recent weeks Canada has been able to improve her position relative to steel supplies from the United States. Needs of the two countries have been hyphenated and Canada is no longer given "export" treatment.

Huge U. S. War Plan Will Work—'Or Else'

Washington Grimly Determined to Spend $56 Billions Effectively in Next 12 Months — Selective Service Board to Function in Atmosphere of Realism — All Will Feel Pinch

By STAFF WRITER

WASHINGTON.—One of the big, indisputable facts about the United States $58 billions war programme is the determination on the part of Washington officials to achieve it—to realize the stupendous goal this country has set itself.

Such vast sums of money as that envisaged in the new programme are difficult to grasp in terms of dollars. Try, then, to visualize all the cars made and sold by motor car manufacturers in the United States since 1926. Try to estimate the amount of money paid by the public for those cars during those 16 years. If your estimate is correct, double it—and you get a figure corresponding approximately with the amount which will be spent by the United States government in the next 12 months.

To revert to American idiom, this plan will mesh—"or else."

Spending $56 billions in 12 months presents many difficulties, and under wartime conditions, is not very much easier than collecting such a sum. Biggest problem facing the administration here is, of course, the question of obtaining the raw materials, the labor, the machine tools, the factory space to carry out such a programme.

The view of official Washington is that there is only one answer to this problem of supply, and it is a very simple one. Civilian goods will be still more drastically curtailed, and, in many instances, eliminated altogether.

The objective is to put all idle equipment or partially idle equipment to work on something approaching a 24-hour basis. At the present time, there are between 300 and 400 men visiting plants throughout United States on a huge hunt for idle machines. These will either be put to work in their present locations, or moved to more strategic spots. Many industrial plants which hitherto have not made, or thought of making, parts for airplanes, tanks, and other military equipment will find themselves working on subcontracts before many weeks have passed. Machine tools are now being manufactured by machinery manufacturers, railways shops, and auto plants. There is still an acute shortage of these vital tools.

As in Britain and as in Canada ultimate limit of America's war production centres on man power. In the latter country, this problem is funneled through the Selective Service Board. This Board is working on the theory that they must plan three months in advance, at least. In other words they must provide now the men for either military or civilian life who will be needed three months or more from now.

It is widely believed here that se-

(Continued on page 2, col 1)

New Deal With Britain Is Not Yet Completed

By STAFF WRITER

OTTAWA. — Announcement of progress and possibly of details as to the settlement of the Canada-U.K. debt discussions are expected to be made by Prime Minister King shortly after Parliament assembles.

A much earlier announcement had been intended but the decision was made to postpone any statement until Parliament met. Some unexpected difficulties have apparently cropped up in recent weeks and they are now in course of adjustment.

The plan which, it is expected, will finally be agreed upon, is considered here as most generous in relation to sterling balances which have accrued since the outbreak of war. It is expected the plan will be in two parts: first a settlement of current balances and outstanding accounts as between the two countries; second, a new basis for handling future settlements.

Tricky B. C. Jap Problem Now Left in Ottawa's Lap

From Our Own Correspondent

VANCOUVER.—Problem of British Columbia's Japanese population was shifted to Ottawa this week, and it is expected that the policy to be announced there will set the programme for the coming months unless unforeseen developments materialize.

At the moment it seems likely that the Canadian government, working in collaboration with provincial and civic authorities in British Columbia will concentrate on a plan to absorb many able-bodied Japanese in constructive war industry, as has been done in the past with Germans and Italians. Wholesale internment is apparently not being seriously considered at Ottawa.

Fear Extreme Moderation

Among some British Columbians, however, there is a fear that reaction from the first burst of anti-Japanese sentiment may swing the pendulum too far in the direction of moderation. The advances being made by the Japanese in the Far East, partly no doubt aided by fifth column influence, have convinced many of the need for a realistic policy. It is recalled that throughout this war Allied reverses have been largely the result of a go-easy policy toward the nationals of enemy countries; and that protests of loyalty are not enough to guarantee security.

Gold Still Glitters Officially

No Echo of "Scare" Heard in Washington or Ottawa

By WILFRID SANDERS

OTTAWA. — The discursory and guerilla-like attacks on the gold mining industry being launched from a variety of bases in the Dominion and elsewhere, are not being given much credence or notice in official government offices.

In Washington, which, after all, pays the piper, there appears to be an equal absence of any indication that the tune will be changed.

Last time Canada had a "gold scare" was in 1937, when prices of gold securities toppled the world over. While the effects of the present attacks are not nearly as drastic marketwise, the arguments then, and now, are identical. They are typified in the outburst from a prairie province paper:

"In Canada about 60,000 men, some of them highly experienced and highly skilled are employed in this utterly useless activity (gold mining)—utterly useless that is so far as any contribution to the winning of the war is concerned. For what do they do? They dig the 'precious' metal out of the deep earth. It is purified and processed and then ceremoniously consigned to a less secure, though more expensively guarded hiding place, either here or in United States. Not a bullet, not a gun-core, not a shell-casing does it contribute."

This "hole-in-the-ground to hole-in-the-ground" argument of course, completely ignores the economic role of gold, and is an absurd over-simplification.

View expressed by officials here is that the case for gold has been tremendously strengthened by the spirit which has swept into existence the Grand Alliance of Democracies and the Pooling of resources, supplies and needs by the United States and Britain. It is realized that in continuing the purchase of gold, the United States is helping stabilize the economies of much of the British Empire.

In the case of South Africa, with nearly 400,000 men engaged in gold mining, the U.S. policy is virtually supporting the economy.

This is as tangible a contribution to the defeat of Hitlerism as could be devised, and renders meaningless from the point of view of a world economic front, the charge that gold does not contribute "a bullet, gun-core," etc.

From a purely Canadian point of view, the charge is equally meaningless. Gold, by supplying Canada with American dollars with which to buy U.S. supplies, is very directly contributing bullets, gun-cores, and shell casings. Canadian gold has supplied the Canadian war effort with approximately $200 millions per year in foreign exchange.

This is not to imply that the gold mining industry will be coddled in this or any other country. Failure of the federal government, for example, to interfere with the Kirkland Lake strike is being widely interpreted as indicating a desire on the part of Ottawa that the man power on strike find their way into the base metal industry. No responsible authority will offer any guarantees that there will be any coddling of the industry when the next budget comes down.

Again, there is no assurance from Washington that Canadian gold mines will receive any particularly favorable priority ratings in the purchase of mining machinery. There is evidence to the contrary. Last fall, the United States' Office of Production Management gave all U.S. mining operations an A-8 priority rating and there is no reason to believe Canadian mining men will obtain a more favorable rating.

These are problems which the gold mining industry will have to face, and is facing. The fact remains, however, that no responsible authority gives any hint of a reversal of the policy of the U. S. treasury department.

In addition to its present function in a wartime economy, gold may have an important post-war job to do. It could be an enormous factor in world reconstruction and stabilization. It has proven in the past, and can prove again, a deterrent to inflation and a safety device.

All these are factors in the attitude of democratic governments to gold.

at EATON'S

ALLEN SOLLY'S FAMOUS ENGLISH SIX-AND-THREE RIBBED SOCKS

Extra fine wool socks, vertically striped....... Pair 2.50
Wool socks in plain colours .... Pair 2.00
Fine wool socks with circular stripes .... Pair 1.50
Extra fine lisle socks vertically striped .... Pair 2.00

Blues, greys and browns. Sizes 10½ to 12

Phone TR. 5111

MAIN STORE — MAIN FLOOR

THE T. EATON CO LIMITED
TORONTO CANADA

Huge U. S. War Plan Will Work —'Or Else'

(Continued from page 1)

lective service solves in an orderly manner the problem of using man power and woman power to best advantage. The individual should not have to make this decision, it is thought.

The army, navy, air force, industry, farm,—all require men with somewhat different qualifications.

Don't Want Overcautious

It is fully realized that industry must give up many men to the military who have the qualifications needed there. For example, it is generally true that the greater the life expectancy of a man, the less he worries about danger. The man with only 10 or 15 years expectancy of life is often overcautious, a trait which is not a great disadvantage in industry or agriculture, but might be in the various branches of the armed services.

On the other hand, there are men in the military services with technical training who can perform much more valuable work in industry. Under normal peacetime conditions, employers naturally select men of military age, in the best physical condition. Older men may be considered somewhat of a liability for the future. In wartime, the position is reversed and men have to be placed where they can do the best work.

It is not always feasible to have a reserve occupation which would secure a definite preference with regard to military service. The writer was reminded, as an example of this, of the civil war days, when a ruling was made that a foreman would be exempt from military service. A foreman was defined as a man with three slaves or more. Immediately the price of slaves rose sharply.

As opposed to the general occupational basis for exemption, Great Britain switched to the individual classification, and to put greatest stress on whether or not the particular job could be done by a woman.

IMPERIAL BANK APPOINTMENTS •

Following the death of A. L. Ogden, chief inspector of the Imperial Bank of Canada recently, William Bourke (left), formerly western superintendent, Winnipeg, has been appointed chief inspector of the bank at head office. A. D. Duncan (centre), formerly manager of the Winnipeg branch, has been appointed superintendent of western branches, succeeding Mr. Bourke, and L. S. Mackersy, formerly assistant western superintendent, has been appointed manager, at Winnipeg.

STE. ADÈLE LODGE

Ski famous HILL 80
Accommodation to suit every taste; 82 bedrooms, commodious sun-decks, heated sun rooms, open fireplaces, European cuisine. There's exclusive comfort, quiet good taste. Hills 40, 80, two ski-tows on property. Centre of main ski trails. Ski instructors, lighted skating rink. Restricted clientele.

Illustrated literature, rates, further information from Manager, Ste. Adele Lodge, Ste. Adele-en-haut, P.Q., or ask any travel agent.

FOR SALE
STRUCTURAL STEEL FACTORY BUILDING
APPROXIMATELY 175' x 525'
800 TONS (More or Less)
Situated in the Niagara Peninsula as and where is, for removal and re-erection.
also
POWER HOUSE EQUIPMENT
CONSISTING OF
Compressors — Motors — Boilers, Etc.
25 Cycle Equipment
also
30 TON CAPACITY OVERHEAD CRANES
ETC., ETC.
Write Box 220 THE FINANCIAL POST

The War And Business

Reorient U.S.-Canada Industry

First drafts of the new blueprints being drawn for the U. S.-Canadian arms-producing partnership are still subject to many an erasure and redrafting. The only certain thing about them is that the axe is going to fall on some industries while others will be expanded beyond recognition.

One of the categories in which Canada is going to make substantial increases in production will be in certain branches of shell production, The Post is informed, with special emphasis on shell and fuse filling. Like other phases of the joint plan, this must still be regarded as a probability, but the off-the-record views of those in the industry, and the excellent progress made automatically rank it high in the list. There is talk of doubling some of the existing plant.

Incidentally, the new all-out plan is likely to help, rather than hurt Canada's international balance-sheet, as a result of the vast new market opened by American participation. If, for example, the Dominion imported $100 millions of materials from the U. S., the finished product would probably be worth at least $200 millions. Shipping back half of the output would thus automatically balance the account.

* * *

End Rubber Shortage?

The United States Government is planning a $400 million synthetic rubber programme with the objective of making that nation completely independent of imported natural rubber within 18 months. The new factories are to have an output of 400,000 pounds a year, which it is believed will be sufficient for all military needs with a slight margin for civilian purposes.

All privately owned rubber companies in the States are being asked to enter the scheme and to pool all patents, processes, etc. At the present time synthetic rubber producing capacity in the U. S. is estimated at 90,000 pounds annually.

It is also expected that raw rubber imports from South America can be continued and expanded. Cost of production, especially at the beginning, will be very considerably higher than recent price level of imported natural product.

There has been no mention of Canadian participation in the scheme, but as most of the larger Canadian plants are allied with American, some mutual arrangement is believed possible.

* * *

Concentrate on Hitler

Most observers around Washington are not expecting any big victories over the Japs for some time to come. It is reported that the United States government has been convinced by Great Britain and Russia that Hitler is the real enemy and he is the one to crush first. Once that task has been accomplished, it will be a simple matter to clean up on his Pacific partner. At least that is the gist of opinion coming from the U. S. capital.

In the meantime, it is stated, defense will be concentrated around Singapore and the Netherlands East Indies, for eventual jumping off places against the Japs, and here some holding victories are to be expected fairly soon.

* * *

U. S. Restrictions

For the last year Canada has been leading the United States in restrictions on civilian purchasing and civilian economic life generally. Since our neighbor has become actually involved in the war, however, Washington has been moving toward the lead.

Soon it is expected the whole of the United States will go on year round daylight saving plan, as against only the urban centres of Ontario and Quebec so far for Canada. Word from Washington also indicates that a universal motor speed limit of 30 miles per hour is being considered. General automobile restrictions are expected to take a million cars off the roads in six months, five to eight million off by the end of the year. In normal times car population of the States runs around 26 millions.

* * *

Travel to West Indies

New arrangements by the authorities in Bermuda, the Bahamas and Jamaica broaden the terms under which Canadian residents may travel to those areas through the United States. Formerly, U. S. funds were available to cover transportation costs for pleasure travel, only when the journey was made by certain specified modes of travel between Canada and certain specified U. S. ports. Now practically any means of transportation from Canada to the port of embarkation is allowed.

The necessary U. S. dollars are supplied by the authorities of the three British possessions through their agents, the American Express Co., and Thos. Cook & Son. The Canadian government co-operates by granting travel permits.

Canadian travellers may purchase sterling or transfer Canadian dollars without limitation to the British Empire country concerned for their expenses while there.

* * *

Gongestion at Ottawa

Well over 31,000 people are on the civil service payroll at Ottawa compared with only about 12,000 at the start of the war. This gain of 150% has filled all available living space within miles of the capital and put an even bigger strain on the commercial restaurants which are jammed around the noon hour.

The congestion has brought to the fore again the question of permanent decentralization. Observers say it would be quite practicable to move many branches of the civil service to other cities, where indeed they might be in closer touch with their actual work. Prominently mentioned in this connection is the National Employment Commission which will ultimately have a headquarters staff of 3,000.

* * *

Lakes to Sea

In the old days before the war the chief complaint of Great Lakes sailors was the long layoff during the winter. There is nothing like that this year. Already hundreds of marine engineers have travelled down to the seacoast where they are engaged as engine fitters or lathe hands on ship repair work at Halifax and Saint John. A special call has gone out for more volunteers for this vital war work with the government paying the railway fare to and from the Maritimes.

Howe Has Wide Power In Tariff Exemptions

(Continued from page 1)

understanding. Under its terms the Minister of Munitions and Supply has the widest authority to remit tariff and tax imposts on any or all importations which involve war material or supply.

However, to-date that authority has only been used in limited degree:

(1) To include only the importations of certain designated "agents" of the Minister.

(2) To include only importations by these agents for United Kingdom; Allied Nations; and joint Canada-U.K. account.

In short, the authority granted to the Minister to remit tariffs is at present limited to certain designated agencies. It does not permit tariff or tax-free importation on Canadian government account. This latter point is made very clear in a regulation of the Department of National Revenue dated Nov. 26, 1941 which states (paragraph 10):

"Exemption, remission or refund under the Order does not apply to importations for Canadian government account except in certain cases of joint contracts in which, e.g., the governments of the United Kingdom and of Canada are both parties in interest."

Keeps Real Cost Clear

Thus the Canadian government still collects and charges duties, taxes and customs on all war materials, supplies, equipment, etc., which are imported by Canadian manufacturers on purely Canadian account. This policy was laid down at the beginning of the war, in part so as to provide Canada with a true picture of the actual cost of the war.

It has only been departed from in respect of imports on behalf of other governments—a not very revolutionary departure when it is recalled that for the most part such importations would probably qualify for drawback under normal customs procedure.

The list of agents which the Minister of Munitions and Supply has designated as authorized to sign certificates providing free entry of war materials to be used for U.K. or Canada-U.K. account are 20 in number. They are grouped under two headings.

Representatives of wholly owned government companies:

Citadel Merchandising Co., Montreal.
National Railways Munitions Ltd., Montreal.
Research Enterprises, Ltd., Leaside.
Small Arms, Ltd., Long Branch.

Companies operated on a management fee basis:

Alberta Nitrogen Products, Ltd., Calgary.
Border Cities Industries, Ltd., Windsor.
Canadian Car Munitions, Ltd., Cherrier, P.Q.
Canadian General Electric Co., Peterborough.
Canadian Pacific Railway Co., Angus Shops, Montreal.
Canadian Propellors Ltd., Longueuil, P.Q.
Defence Industries, Ltd. (plants at Beloeil, P.Q.; Bouchard, P.Q.; Brownsburg, P.Q.; de Salaberry Works, P.Q.; Nobel, Ont.; Pickering, Ont.; Verdun, P.Q.; Windsor, Ont.; Winnipeg, Man.)
Dominion Engineering Works, Ltd., Longueuil, P.Q.
Electric Steels, Ltd., Cap de la Madeleine, P.Q.
General Engineering Co. (Canada) Ltd., Scarboro, Ont.
John Inglis Co. Ltd., Toronto.
Montreal Locomotive Works, Ltd., Toronto.
Nichols Chemicals Co. Ltd., Valleyfield, P.Q.
Otis-Fensom Elevator Co., Hamilton.
Sorel Industries Ltd., P.Q.
Welland Chemicals, Ltd., Niagara Falls, Ont.

Japanese Gains May Cause Shift in B. C. Production

From Our Own Correspondent

VANCOUVER. — Japanese advances in the western Pacific have threatened several sources of raw material important to British Columbia industry.

If Japan manages to hold her gains it seems inevitable that a far-reaching readjustment in spheres of production and plans for distribution will result.

Japanese conquest of a large part of the Philippine Islands and disruption of transportation to and from that country have cut off the hemp supply for such industries as Canada Western Cordage Co., Vancouver.

According to Capt. F. C. Brown, managing director, and a former president of the Canadian Manufacturers' Association, there is no satisfactory substitute for the Philippine supply, but fortunately his company has laid in more than a year's supply.

Sisal from Java has also been prevented from crossing the Pacific, as a result of recent war developments. Sisal can be used to replace Manila hemp only in the manufacture of certain general purpose ropes. British East Africa and Mexico produce some sisal, but it is claimed the product of those countries is inferior to that of the western Pacific. Because of the tonnage situation it has been difficult to maintain regular contact with producing areas in Kenya and Tanganyika.

Threat to the cocoanut forests of the Philippines, New Guinea and other areas in the western and southern Pacific will affect operations of the new copra plant launched in Vancouver by the W. R. Carpenter interests of Australia. Because of the difficulty of shipping copra all the way to Britain from the South Seas and the increasing demands for all kinds of vegetable oil, the Carpenters, already controlling vast cocoanut acreage, reduction plants and ships, invested heavily in the Vancouver project and only a few months ago doubled the capacity of the plant.

Vegetable Oil in Demand

Cocoanut oil is a vital war material and is used not only for such peacetime processes as the manufacture of soap, but for production of nitroglycerine, in quenching steel, as a flux in tin plating, etc. In the last war, copra prices soared to dizzy heights.

The United States will require all the vegetable oil its plants can manufacture, and there will undoubtedly be a demand for all that the Carpenter plant can yield. The only problem is the supply of raw material.

Rubber and tin may be the major elements in the situation, and their position is serious enough, but in their way hemp and copra are also important.

There has also been some anxiety concerning the operation of Bulolo Gold Mines in the mountain country of New Guinea. The Bulolo head office is in Vancouver, and while there have been no reports from the field indicating an interruption in production, the possibilities are not being overlooked.

Life Insurance At New High

Business in Force in Canada Almost $7.5 Billions Says Bourke

Total life insurance in force in Canada at the end of 1941 reached a new high level of almost $7.5 billions according to George W. Bourke, president of the Canadian Life Insurance Officers Association and chief actuary of the Sun Life Assurance Co.

This, Mr. Bourke emphasized, was achieved "despite unprecedented taxation, despite demands of war loans, war savings, war services and war charities, despite higher living costs."

New sales were 10% above those of 1940 and represent the first important increase in four years. But of even more significance is the encouraging decrease in the number of policies being lapsed or surrendered, he stated. He also found cause for gratification in the steady decrease in policy loans in the last three years.

Subscriptions from the life insurance companies to the last Victory loan he estimated accounted for one seventh of the total. Since the outbreak of war over $170 millions of policyholders savings have gone into Dominion war loans, he said.

New Car Sales Drop in East

New passenger car registrations in eastern Canada took a sharp drop in November from the total for a year ago. The dip was largely attributable to the installment selling restrictions which were in effect for the first full month during November.

Total registrations during the month were 1,946 as compared with 4,981 in Nov., 1940, a drop of 60%. In the first eleven months of 1941 new passenger car registrations in eastern Canada amounted to 62,405, down 8% from the 67,935 total reported for the same period of 1940.

Following is a record of registrations in eastern Canada:

New Passenger Car Registrations in Eastern Canada

	Nov.		Year to Date	
	1941	1940	1941	1940
Dodge	549	1,054	10,588	11,015
Chevrolet	401	1,312	13,516	13,866
Plymouth	388	841	9,496	9,892
Ford	137	358	9,425	9,532
Pontiac	101	224	5,444	4,406
McL.-Buick	90	313	2,909	3,832
Chrysler	73	141	1,935	2,460
Mercury	42	75	2,533	2,343
De Soto	37	68	849	1,141
Oldsmobile	31	180	2,243	2,919
Nash	27	72	660	447
Studebaker	19	89	477	1,807
Hudson	16	143	612	2,595
Packard	16	35	328	840
Cadillac	15	44	237	250
Willys	4	32	153	590
Total	1,946	4,981	62,405	67,935

Confederation Life Business Higher

Preliminary figures released by the Confederation Life Association show insurance in force of $463.2 millions, a gain of over $18 millions, the largest increase in 10 years. New business written at $58.1 millions was 18% higher than in 1940. Assets were almost $6 millions higher at $141.6 millions. Interest earned on invested assets was 4.46%.

Newfoundland Sells Less Salt Codfish

Exports of salt codfish from Newfoundland for the five months July to November 1941, totalled 292,587 quintals, of which 258,159 came from the shore fisheries and 34,428 quintals from Labrador. This contrasts with 413,673 quintals in the like period last year, when 349,359 quintals were credited to shore fisheries and 64,314 quintals to Labrador.

Investor's Index

Jan. 17, 1942

Abitibi 12
Banque C. Nat. 14
Burry Biscuit . 13
Candn. Car . 5, 13
Candn. For. Inv. 4
C. P. R. 5
Candn. Vickers. 4
Celanese Corp. . 5
Cent. Can. Loan 13
Detroit Int. Br. . 13
Dist.-Seagrams. 5
Dominion Coal . 12
Dom. Oilcloth . 4
Dom.-Scottish . 5
Dosco 5, 19
Donnacona Pap. 12
Dryden Paper . 12
Fairchild 4
Globe Realty . . 7
Huron & Erie . . 4
Inter. Pete. ... 13
Kelvinator. . 4, 13
Lake Sulphite . 4
Massey-Harris . 13
McColl-Front. . 5
Montreal Tele. . 13
Noorduyn ... 4
Photo Engrav. . 13
Prov. Bk. Can. 14
Royal Bank . 14, 20
St. Lawr. Flour. 20
St. Lawr. Paper 12
Second Inter-St. 5
Swift Candn. . 15

MINES AND OILS

Bidgood 19
Buffalo Ank. . 19
Central Pat. . . 19
Dome 19
Dubuisson ... 19
Eldorado 18
Gold Frontier. . 18
Hollinger 19
Hudson Bay .. 18
Inter. Mining . 19
Inter. Nickel . . 19
Island Mtn. . . . 19
Kirk. Lake . 18, 19
Mutual Develop. 19
Naybob. 19
Noranda 18
O'Gorman Syn. 19
Paymaster ... 19
Privateer 18
Sheep Creek . . 19
Shenango 19
Sherritt Gordon 19
Silverado 19
Sturgeon River 19
Wendigo 19
Yukon Consol. . 18
Algoma Steel . 1
Canada Cement 17
Can. Vinegars . 17
Confed. Life . . 2
Famous Players 17
Goodyear Tire . 1

REGULAR FEATURES

Banking 14
Bond Markets 5
  Bond Quotations 16
Business, Week in 7
Commodities 15
Company Reports 2, 13
Editorial 6
Foreign Exchange 5
Income Tax Queries 3
Insurance:
  Life 8
  Fire and Casualty 8
Investment Trends 4
  Market Opinions 4
  Stock Quotations 16
Mining, Week in 18
  Mining Enquiries 18
  Mining Quotations 16
Oils, Week in 18
  Oil Quotations 16
Pulp and Paper 12
Wheat, Week in 17
  Wheat Quotations 17

Transport Titans Clash in Yukon

(Continued from page 1)

known as the "tin goose." Today with twin-engined all-metal airliners in service, the Yukon Southern provides thrice-a-week mail and passenger service to the Yukon.

After repeated unsuccessful attempts to operate directly between Seattle and the Alaskan Panhandle outside of Canadian territory, the other airline to Alaska, Pan American Airways, surrendered to the coastal fogs and made arrangements to fly the inland route.

Canadian facilities were granted to Pan American on recommendation of Yukon Southern, but with a stipulation which prevents the American line from carrying traffic to or from the Canadian ports of call.

Maintenance of the Yukon service was for several years a bitter struggle and it would appear doubtful if Yukon Southern will bow out of the picture as Trans-Canada enters the scene.

Thus, if T.C.A. pursues its announced intention of extending to Alaska, a pitched battle for mail contracts, for traffic and, in the long run, for survival can be expected.

Mr. Symington qualified his statement with the following condition:

"The full development of Trans-Canada's plans to supply the essential air services for the nation are necessarily being affected by the course and circumstances of the war. . . ."

In view of Yukon Southern's long-established priority, it may be exceedingly difficult if not impossible for T.C.A. to justify, in the eyes of the Canadian people, the duplication of this existing service, while the war lasts at least. With the military services in dire need of troop transports, plus such considerations as the fuel shortage and the need for experienced transport pilots, it is not difficult to imagine the public reaction to what might be considered unnecessary duplication of air service.

HOLD HIGH THE TORCH OF FREEDOM

BANK CREDIT ESSENTIAL TO DEFENCE

Loans needed to further Canada's war efforts naturally have priority at the Bank at this time. However, commercial credits for normal constructive purposes are being supplied as usual.

The maintenance of a sound, smoothly functioning, normal-times economy is fundamental to national defence—and banking service has an important part in such maintenance.

No matter what your line of business, you are invited to discuss your financing problems with the manager of our nearest branch.

BANK OF MONTREAL
"A Bank Where Small Accounts Are Welcome"
Modern, Experienced Banking Service... the Outcome of 124 Years' Successful Operation
A152

SALE OF MEN'S TAILORED-TO-MEASURE SUITS - 34.50

Simpson's secured hundreds of sample and display suit lengths from one of Canada's finest clothing houses for this great sale — they're the identical Scotch, English and Canadian tweeds and worsteds that ordinarily go into suits selling at dollars more! The huge variety includes mill-finished worsteds, clear-cut worsteds, double plains — Donegal, Shetland and Irish twist type tweeds, from leading Old Country and Canadian mills — in practically every popular pattern and color. Choose any style you prefer. Suit, tailored-to-measure — 3 pieces, 34.50; 4 pieces, 43.50.

Simpson's TAILORED-TO-MEASURE SHOP — SECOND FLOOR

Another airline contest is indicated by the effort of another American airline to compete with the already established Pan American. Northwest Airlines which has services between Chicago and Seattle is seeking rights to fly from Minneapolis across Canada via Regina, Edmonton, Grand Prairie and Whitehorse to Fairbanks, Alaska. This service carrying only U. S. traffic would link Washington and Fairbanks (3,467 miles). The company argues hemispheric defense justifies the route.

Brokers' Loans Drop Again in Toronto

Borrowings of Toronto Stock Exchange members as at the end of Dec. 1941, totalled $8 millions, a decrease of $233,453 from November and $745,505 lower than Oct., 1941. At the same time, quoted market value of all listed stocks as at Dec. 31, 1941, totalled $3,600.9 millions, a decrease of $83.7 millions from Nov. 30. Ratio of borrowings to quoted market values amounted to .23 of 1%, unchanged from Nov. 30 and compared with .24 of 1% a year ago.

Cotton Consumption Is High in December

Canadian cotton mills opened 44,547 bales of cotton in December last year, the Cotton Institute of Canada reports.

The Institute's index of monthly consumption of raw and semi-processed cotton for December was at 170.3 (1935-39 equals 100). This compares with 173.0 for November last year and 166.2 for December a year ago. Peak month was October last year when the index was at 189.1. Cotton consumption has been at high levels since June, 1939.

CLA

1871 1941

Confederation Life

Reports Marked Progress in 70th Year

The forthcoming annual report shows that sound stewardship, traditional with Confederation Life for 70 years, has been fully maintained during 1941.

Largest gain in insurance in force in 10 years.
New insurance up 18% over 1940.
Interest earned on invested assets 4.46%.

1940		1941
$445,087,729	Insurance in Force	$463,289,489
135,686,105	Assets	141,630,255
49,390,099	New Business	58,142,580
8,657,891	Total Surplus	8,451,172
13,919,018	Premium Income (excluding Single Premiums)	14,408,928
5,055,358	Unallotted Surplus	5,144,307

STRENGTH • SERVICE • SECURITY
Since 1871
Confederation Life Association
HEAD OFFICE TORONTO

This Week The Financial Post Asked A Group of Canadians

Do you think the efficiency of our war effort would be strengthened by raising or lowering the excess profits tax?

The Financial Post question this week to a group of representative Canadians is closely akin to the old fable of killing the goose that laid the golden eggs.

Roughly the present Excess Profits Tax requires payment to the government either of 22% of all profits, or 75% of the amount by which profits exceed the 1936-39 average, whichever is the greater.

Many businessmen are exceedingly doubtful whether the remaining profits after payment of this E. P. T. will be sufficient to pay all expenses and maintain sound enterprise and plants in good working order. They are particularly doubtful of the effect after the war.

Some fear that when peace comes they will be faced with plants worn out with war work, or obsolete, and little or no nest egg available for rebuilding.

If this is true of a large part of Canadian industry then a most serious postwar problem will confront the Dominion. Private industry might be unable to shoulder the burden of carrying on at a time when it is vital that it does carry on.

But Canadian industrial leaders also recognize the dangers in the other direction. They seem to agree wholeheartedly with Ottawa financial authorities that if we don't pay the major share of this war as we wage it, then we are courting serious inflation and eventual disaster.

While most answers to The Post question this week and to similar queries in previous interviews with Canadian businessmen agree with the general principle of the Excess Profits Tax there is criticism of the name of the regulation and the way it applies in certain exceptional cases. These are aptly summed up by one reader who writes as follows:

"I am convinced that the term 'excess profits' is a misnomer. It merely appeals to mob psychology to satisfy the unthinking. The present corporate profits taxation is grossly unfair to many shareholders who invested in depression years but who are now denied recompense. Moreover, the virtual obliteration of profits to such shareholders is undesirable as it tends to deaden the influence supporting government war regulations generally."

Brooke Claxton

Member of Parliament for St. Lawrence-St. George, Montreal, and well-known Montreal barrister.

The excess profits tax contributes powerfully to the war effort by preventing profiteering and raising money. It also distributes the burden and reduces purchasing power.

Mr. Ilsley has said that the profits after taxes of 321 companies had increased by less than 6% between 1939 and 1940. Unless the figures for 1941 show a marked change I do not think the burden of the tax should be raised or lowered.

For legislation along new and untried lines the tax has worked better than even the most sanguine expected. The difficulties are appreciated but if possible the method of arriving at the tax should be simplified and further provisions made to take care of exceptional cases of hardship, particularly for small or growing businesses.

It would be greatly appreciated if the excellent explanatory brochure could be expanded and brought up to date from time to time as rulings of general application are made.

* * *

Harvey Crowell

Crowell, Balcom & Co., chartered accountants, Halifax.

Our war effort is only efficient if Canadians are united in the determination to defeat our enemies at any cost. We have not done enough yet either in mobilization or in taxes.

I suggest that more money would be available for troops and munitions if so called excess profit tax act were repealed and the income war tax act increased to 50% on corporation profits. This would eliminate considerable unnecessary expense. But more important it would establish a national and definite basis of taxation more satisfactory to business.

Profits are likely to be lower henceforth, because of necessary regulations and controls, consequently, some revision of taxes is necessary.

* * *

Hon. Earl Rowe

President, Great Lakes Paper Co., Ltd., former leader Ontario Conservative Party and Member of Parliament for Dufferin-Simcoe.

I believe the vast majority of Canadian industrialists approve of the present Excess Profits Tax because they believe profits arising from increased war production should be at a minimum.

That the Excess Profits Tax as now applicable is sufficiently high, is evident by the fact dividends to be distributed by Canadian corporations for the first month of 1942 will be moderately lower than the total paid out in January, 1941.

This trend indicates consideration should now be given to an amendment of the present act so as to allow retention in assets as depreciation, sufficient to assure future stability during the war and the readjustment that must necessarily follow the war. Such an amendment would, I believe, materially strengthen the efficiency of our war effort.

* * *

H. E. Manning

Partner, Manning & Babcock, barristers, Toronto.

While the necessities of war finance require very great tax levies, my opinion is that excess profits levies have been made so severe that there is now no inducement to engage fresh private capital in any business.

The double taxation of company dividends, resulting from failure to give to shareholders any allowance for taxes on company incomes, makes purchase of shares undesirable and has a depressing effect on accumulation of savings.

Price control will probably go far to reduce company profits and diminish tax income. Inevitable consequences will be necessity for heavier taxation of wage earners. This I consider desirable because standard of living of saving classes has been drastically reduced at a time when standard of wage earners has been greatly improved."

* * *

Kenneth I. Morrison

Harvey, Morrison & Co., chartered accountants, Calgary.

Canada's vital concern and the importance of democracy winning this war should be the necessary incentive for all business to contribute to the utmost to Canada's war effort.

It is therefore imperative, in order to secure maximum financial support, to have taxation rates at a point where an increase would not defeat that purpose. I am of the opinion that the present rates of excess profits taxes do not impair the efficiency of the financial contribution to Canada's war effort, but any increase in the minimum rate might defeat its object although an increase in the maximum or 75% rate would not have that effect.

* * *

George C. McDonald

McDonald, Currie & Co., chartered accountants, Montreal.

I do not think that the efficiency of our war effort would be much affected by changing the excess profits tax. I consider that capital and industry are being admirably mobilized for the prosecution of the war by the present taxation policy of the government.

What is now needed to improve the efficiency of our war effort is the real mobilization of our man power and our woman power.

* * *

George C. Rooke

Rooke, Thomas & Co., chartered accountants, Regina.

I see no reason why an increase in excess profit tax should weaken the war effort. I consider that exemptions should be a percentage on capital according to classification of business and that the tax should be a graduated percentage up to a fixed maximum and 100% of profits in excess of maximum.

This was the principle involved in the alternative plan in the original act and it can be applied more equitably than present four previous years profits basis. Increased returns could be obtained without taking away incentive for economy and efficiency.

Most excess profits are being made because of war and should be taken to help pay war costs.

* * *

F. G. Winspear

Chartered accountant of Edmonton, Alta.

Most operators here recognize that increased production is essential to war effort and that resulting increased profits must be subject to heavy taxation.

Providing discretion given to board of referees is judiciously interpreted to alleviate the impact on highly speculative industries by setting a standard profit other than on a capital basis, and that depletion allowance indicated by the minister in his budget speech is given to extractive industries, such as lumbering, we have not observed discontent with basic provisions.

We consider expeditious administration and assessment essential. We find some resentment at non-taxation of so called co-operatives.

Montreal Brokers' Loans Higher

Collateral borrowing by members of the Montreal Stock Exchange and the Montreal Curb Market at Dec. 31, 1941, totalled $6.2 millions, up $282,121 over the previous month and $964,316 above the corresponding total at the end of Dec., 1940. The latest figure is the highest since Nov., 1940. It is the seventh consecutive month to show higher sums borrowed by brokers in Montreal.

Your Income Tax

Deadline for income tax returns is March 31, a month earlier than usual. In this weekly column, The Financial Post answers the problems you many have in computing your tax.

Dependent Relative

My brother and I both contribute equally to the support of our dependent mother. Are we both, on this account, allowed a reduction in the amount of national defense tax we pay? If so, how much?.

Under ruling by the income tax authorities, tax credit for one dependent cannot be claimed by more than one taxpayer. Accordingly either you or your brother must elect to claim the tax credit for your mother and then adjust the matter between yourselves. The allowance on 1941 income is $14 for the year.

Higher Rates

How does the Dominion tax and national defense tax on 1941 income vary from that collected on 1940 income?

The income tax levied on 1941 incomes is substantially higher, but exemptions remain the same.

Last year, if the net taxable income were under $250, the rate was 6%. On taxable income over $250 and less than $1,000, the rate was 8%, and rose with the income. This year, the rate on the first $1,000 or part thereof is 15%, rising with the income.

The national defense tax was raised from 2% and 3% to 5% and 7%. Maximum income exempt from tax was raised from $600 a year to $660. The allowance for each dependent child was raised from $4, for the half year of 1940, for which defense tax was collected, to $14 on 1941 income and $20 for 1942.

The surtax on investment income formerly applicable to investment income over $5,000 is now applicable to all investment income over (1) the total of exemptions allowed, as for instance, $750 in the case of a single person, $1,500 in the case of a married person and $400 for each dependent child, or (2) $1,500, whichever figure is the greater.

The deadline for making personal income tax returns is now March 31 instead of April 30.

N.D.T. on Bearer Bonds

How is national defense tax collected on interest paid on war bonds payable to bearer? I presented some coupons from a bearer bond to the bank for payment and no deduction was made for defense tax. Should not the bank make this deduction when paying the interest?

National defense tax on the income from bearer war bonds is collectible when the recipient makes his income tax return. In the case of stocks and bonds registered as to principle and interest, the tax should be deducted at the source. In cases such as yours where the securities are payable to bearer, the taxpayer is responsible for paying the amount due when he pays his income tax.

London Calling
by Adelphi

Written exclusively for The Financial Post by a distinguished British political journalist, this is the second of a new series of weekly columns from the Empire capital.

The column by Atticus under the same title, "London Calling" and which proved such a popular feature of The Post during the several years it ran, has been terminated.

The new name, Adelphi, under which this new column will appear is a necessary mask for an extremely well-known figure.

LONDON.—We have gone from flowers to tobacco. Joe Chamberlain always wore a gardenia and Disraeli's passion for primroses was so great that the Conservatives still have a Primrose League to celebrate their loyalty to their great non-Aryan Imperialist leader.

Now we have Churchill's cigar which Londoners—and millions of others—have come to associate with dogged determination and ultimate victory.

"Winston's wearing his cigar. I guess everything's all right"—comment of a London workman is typical.

* * *

Secrecy Maintained

Maintaining secrecy about the where and the when of House of Commons meetings continues—since the historic old chamber was smashed—one major item of wartime discipline.

Nevertheless, whenever anything important comes up, the galleries are crowded and whatever the occasion, whatever the emergency, the Old Mother of Parliaments never forgets her dignity. There is the Speaker's procession as usual, the bowing of the members, then the prayers and afterward the placing of the Mace in its holder to indicate that the House is in session.

The public is never admitted for prayers which seems an odd prohibition. And usually the ministers don't come in until the attendants cry, "Prayers are over!"

* * *

Gets Its Laugh

But Parliament must always have one laugh even in its gravest moment. When the House met to declare war on Japan. Churchill finished reading our note to the Japanese Foreign Minister which ended with, "I beg to remain your Excellency's obedient servant."

"His obedient servant?" queried an M.P. just opposite the Prime Minister.

Churchill shrugged his shoulders. "It's the usual way they put these things," he said. The House laughed with relief but a moment later resumed its grim aspect.

* * *

An Easy Night

A. V. Alexander, the Socialist Bulldog who is First Lord of the Admiralty looks tired these days.

"What are you going to do with your spare time now A.V.?" asked a friend.

"Get a little sleep when I can," answered the First Lord.

He got to bed at 3 a.m. the other morning and had only two telephone calls between then and 7 a.m. when he got up. That was an easier night than he expected.

* * *

Never Much Liked

The House of Commons never liked Duff Cooper, who has been Minister of State on the spot in the Far East. [Editor's note: Duff Cooper was recalled this week.] The House nevertheless respects him for his integrity. After all he resigned from the office on a matter of principle which is not a frequent happening in politics anywhere. His hatred of the Japs will inflame him to new levels of anger and denunciation.

The former Minister of Information and the husband of the lovely Lady Diana is a better man of war than of peace. He is naturally belligerent and an instinctive controversialist. He was in the Foreign Office when the last war started and was held there at first by the regulations that prohibited Foreign Office personnel from enlisting in the forces. At last he got away and joined the Grenadiers. As a cadet he was the despair of the Sergeant Majors who, as per tradition, thanked God we had a Navy every time they looked upon the new arrival. But when he reached France Duff Cooper came into his own. He won the D.S.O. as a subaltern and there were those who thought that he should have had the V.C.

You'll still be the captain

- While you may turn over to the Crown Trust Company the details of managing your property under a LIVING TRUST, you can still retain whatever degree of control you desire.
- One advantage of this type of trust is the flexibility which enables it to meet individual situations in a tailored-to-fit manner. If you wish to be freed from investment detail, provide income for others *now*, or accomplish other similar purposes, come in and have a talk with us.

Crown Trust Company

Executors :: Trustees :: Financial Agents
MONTREAL . TORONTO

"It says here..."
Back from Russia
Beards on trans
THE STAR WEEKLY
"Yes, I saw it"
Two readers are better than one when you're trying to sell a family article . . . food, house furnishings, things for the children. Your advertisement in the Star Weekly will be read by an astonishingly high percentage of both men *and* women. No other publication in Canada can give you the vast and growing circulation, and the percentage of men *and* women readers that the Star Weekly offers.

LARGEST CIRCULATION IN CANADA *plus* HIGH READERSHIP

The STAR WEEKLY
PUBLISHED AT 80 KING ST. W., TORONTO, CANADA

Montreal Advertising Office: University Tower. U. S. Representatives: Ward-Griffith Company Inc.

TESTED, AND FOUND FIT!

Amalgamated Electric Corporation Limited is extensively occupied in helping to supply Canada's war requirements. We are proud to have been found ready and fit to supply standard lines and specialized equipment required for all types of war production. *Amalgamated Electric's engineers are continually meeting and overcoming new problems.*

The war must have precedence in the problem of supply, but where possible our facilities are being made available to enable us to continue our services to normal industry. In one respect the war improves our ability to serve . . . our stock of experience continues to grow.

The advantage of that experience is yours for the asking. Discuss your light and power problems with Amalgamated Electric's engineers. They will gladly advise you without obligation.

Write or call our nearest branch.

AMALGAMATED ELECTRIC CORPORATION LIMITED. Toronto and Montreal. *Western Divisions:* Langley Electric Manufacturing Co. Limited, Winnipeg; Langley Electrical Co. Limited, Calgary; Langley Manufacturing Co. Ltd., Vancouver.

This main switchboard for Boeing Aircraft, Limited, Sea Island Airport, Vancouver, was factory built by our Vancouver division. Electrical contractors were Hume & Rumble, Limited, Vancouver. The electrical engineer was Mr. R. Lennox Mackenzie of Vancouver. The board was supplied through the Northern Electric Company Limited. The cubical construction of this switchboard facilitates additions as and if required.

A.E. CORP'N LTD.
AMALGAMATED
ELECTRIC CORPORATION LIMITED

Investment Trends

More Testing of Prices Seems to be Expected

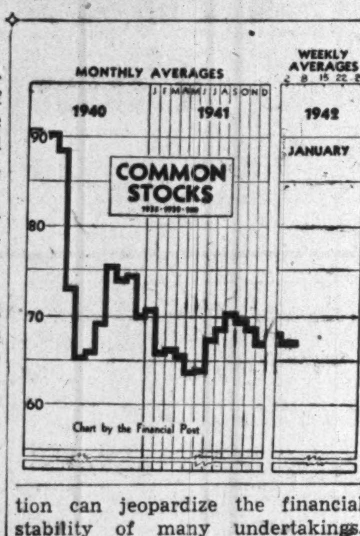
Canadian Interest and Activity Already Turning Toward Victory Loan Which Will Absorb Much of Free Capital

It seems probable that stock markets over the next few weeks are going to undergo an important testing. Out of the results of this test should come an indication of whether the main trend is upward or downward. We have had a January rise—mild both in extent and the activity it generated. It had its origin almost entirely from the United States with Canadian markets showing no tendency toward independent action of their own.

There is even less chance for Canadian stock markets to show independence over the next couple of months. During this period attention of Canadians and particularly of those active in the investment business, is going to be concentrated on the major job of assuring success of the coming Victory Loan. This loan, moreover, will absorb a large proportion of free capital, some of which could logically have been expected to be employed in the stock markets.

From this and more technical factors, the conclusion must be that stock markets have not yet given convincing evidence of any rush to reach higher levels. It is quite possible—and in fact more than likely—that the foundation for such a move is being laid. But it also seems true that there is more testing of this foundation to be expected before the main move takes place.

* * *



No Profiteers

Morris Wilson, president and managing director of the Royal Bank of Canada, emphasized a point at the annual meeting which The Financial Post has brought out many times. Mr. Wilson said:

"There has been neither opportunity nor disposition for our producers to make big profits out of this war."

He states several reasons why this is so but it is not necessary to argue at great length to find evidence to support this fact. While doing a tremendous job in switching from peace to war production, Canadian industry has done well if it can maintain its earnings on pre-war levels. In other words, it gets little or nothing for the tremendous increase in production which has occurred.

For investors this is important. It is a factor against a runaway stock market in war-time but it is not against a sound recovery to real values. For while Canadian industry may not be able to make big profits—and undoubtedly does not want to do so—it is still healthy and able to maintain adequate returns to investors, with a few exceptions where the transition to a wartime economy has been too severe.

* * *

Elevator Outlook

The search for attractive investments, with a reasonable chance for capital appreciation, has more than once turned attention to the stocks and bonds of Canadian grain elevator companies. This group of companies has now enjoyed a couple of years of improved earnings although not sufficient to take them into the prosperity level. Most of these companies end their years to correspond with the crop year which terminates July 31.

"Elevator companies may expect a year of net earnings decidedly smaller than those which prevailed during the crop year which ended July 31 last," states The Post's Winnipeg correspondent. "New grain deliveries by farmers can hardly run much more than half those of last year, and deliveries of wheat seem likely to fall below the limit of 222 million bushels put on them by the Dominion Government. Farmers will be able to dispose of all the wheat they have produced for sale, and the restrictions on volume will be those imposed by nature rather than those announced by the government.

"The elevator companies will, it is true, be storing a considerable quantity of grain throughout the crop year. But earnings from that source will not offset loss of earnings from the handling of new grain, in view of the fact that the companies must write off during the year one half the cost of the new country and terminal elevator annexes built during the 1941-42 crop year. While at times good use will be found for all the additional storage, it will fall considerably short of being used to full capacity throughout the year, according to current estimates."

* * *

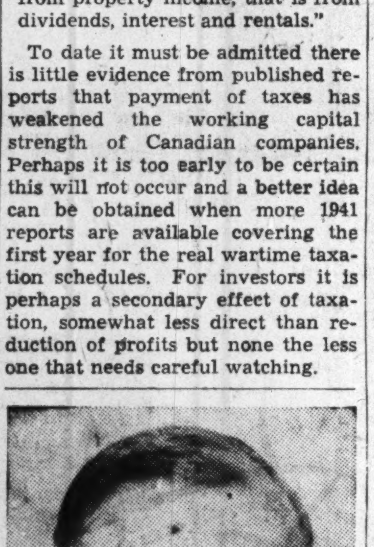
Taxes Can Ruin

Beaudry Leman, president of Banque Canadienne Nationale, makes an important point about wartime taxation in his address to shareholders at the recent annual meeting. He states that excessive taxation can jeopardize the financial stability of many undertakings. something to remember under current conditions.

After the war, he holds, demobilization and closing of munitions factories will leave hundreds of thousands of men who will be unemployed unless industry is able to convert back to peacetime pursuits.

"This question," he says, "difficult in all countries, becomes embarrassing in younger countries like Canada where accumulated capital is relatively small and where the bulk of the population is dependent on its toil for its livelihood. Official statistics indicate that out of the total national revenue in Canada a proportion of only 14% is derived from property income, that is from dividends, interest and rentals."

To date it must be admitted there is little evidence from published reports that payment of taxes has weakened the working capital strength of Canadian companies. Perhaps it is too early to be certain this will not occur and a better idea can be obtained when more 1941 reports are available covering the first year for the real wartime taxation schedules. For investors it is perhaps a secondary effect of taxation, somewhat less direct than reduction of profits but none the less one that needs careful watching.



LOANED TO OTTAWA

T. Stanley Glover, manager, industrial department, Russell T. Kelley, Ltd., Hamilton, has been loaned to the Wartime Bureau of Technical Personnel, Ottawa. Mr. Glover is a graduate in engineering, University of Toronto, is an active member of the Engineering Institute of Canada, and the National Industrial Advertisers Association.

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 8	Pulp and paper 7	Milling 3	Oils 4	Textiles and clothing 10	Food and allied prod. 12	Beverages 7	Bldg. mater. 15	Power and traction 15	Banks 8	Total utilities 19	Total co's. 95
(Base 1935-39=100)												
1929-40:*												
High	345.7	564.5	322.3	212.5	168.2	123.2	163.1	202.1	297.5	160.9	329.3	180.5
Low	68.5	49.8	63.6	46.5	76.0	76.9	67.0	71.2	68.2	84.6	68.4	64.0
1941:												
Monthly Figures:												
Jan.	77.6	74.1	72.1	51.6	110.6	96.3	104.3	84.0	75.4	94.7	77.3	71.3
Feb.	72.9	63.8	69.5	48.7	105.0	90.1	96.6	77.3	68.8	90.9	71.3	66.5
Mar.	73.6	65.4	69.5	49.5	103.1	87.9	93.7	78.5	67.0	89.9	70.7	66.8
Apr.	73.2	63.9	68.6	49.4	101.3	88.6	88.1	77.8	62.2	89.7	68.2	65.8
May	71.8	59.7	63.4	51.3	97.4	88.6	82.8	74.4	60.3	88.3	65.2	63.9
June	72.0	59.5	67.5	48.0	101.1	90.1	87.3	74.9	62.0	89.0	67.1	64.0
July	76.3	66.1	67.5	48.4	105.7	90.5	94.3	77.8	65.3	89.7	70.6	67.5
Aug.	76.8	70.2	72.4	49.1	106.3	91.8	95.7	79.7	64.4	89.7	71.2	67.8
Sept.	80.5	78.5	75.1	51.3	108.4	93.3	102.4	82.4	68.8	91.2	74.7	71.0
Oct.	78.3	75.5	74.5	51.2	105.7	91.9	98.7	78.9	67.2	90.8	72.5	69.1
Nov.	78.2	76.4	74.9	52.9	110.0	91.0	102.6	77.8	65.5	91.7	71.1	68.8
Weekly Figures:												
Dec. 4 ..	78.3	77.0	76.1	50.8	110.8	91.5	106.6	78.0	64.1	91.4	70.6	67.9
Dec. 11 ..	75.6	72.8	69.8	50.3	110.0	89.9	101.6	75.9	62.1	91.1	68.3	67.0
Dec. 18 ..	74.5	71.3	71.3	48.0	110.3	92.0	104.2	74.0	61.5	89.8	67.1	65.9
Dec. 26 ..	74.4	71.7	71.3	47.6	110.3	92.1	105.6	74.5	63.1	89.9	67.8	66.8
1942:												
Jan. 2 ...	74.5	71.5	72.4	48.5	110.4	91.6	106.1	75.1	64.0	90.3	69.9	68.2
Jan. 8 ...	73.3	73.1	75.7	46.7	113.5	91.7	102.1	75.5	63.8	90.9	69.6	67.1

*High and low for year from 1929 to 1940 inclusive are based on weekly figures issued by Dominion Bureau of Statistics. For 1929 to 1938 inclusive the base is 1926=100; for 1939 and subsequent years the base is 1935-39=100.

Toronto Stock Exchange Index

	20 Indust.	20 Golds	10 B.M.	15 W.O.
Jan. 13	91.10	81.53	70.63	18.78
Jan. 12	91.13	81.79	69.20	18.73
Jan. 10	91.30	81.99	69.70	18.60
Jan. 9	91.39	81.56	69.12	18.59
Jan. 8	91.95	81.76	69.40	18.54
Jan. 7	92.62	82.11	69.93	18.53
Month ago ..	91.79	83.62	68.90	18.43
Year ago	103.14	109.13	69.12	21.54
High 1941-42.	103.48	109.76	75.30	21.62
Low 1941-42.	85.65	80.60	60.30	16.73

Montreal Stock Exchange Averages

	10 Util.	20 Ind.	30 Cmd.	10 Pprs.	15 Golds
Jan. 13	42.4	60.4	54.4	75.02	54.70
Jan. 12	42.4	60.3	54.3	75.33	54.70
Jan. 10	42.4	60.4	54.4	76.50	54.02
Jan. 9	42.4	60.2	54.3	76.38	53.85
Jan. 8	42.5	60.5	54.5	76.54	54.02
Jan. 7	42.6	60.3	54.4	77.18	53.97
Month ago .	41.6	60.1	53.9	75.70	57.42
Year ago ..	54.0	65.8	61.8	79.92	79.82
High 1941-2.	54.3	66.6	62.3	88.90	79.99
Low 1941-2.	41.4	53.3	49.3	58.96	52.85

ON INSURANCE BOARDS

J. D. Johnson, president of Canada Cement Co., who has been elected a director of the Canadian board of The Liverpool & London & Globe Insurance Co. He also has been appointed to the boards of the Liverpool-Manitoba Assurance Co., Globe Indemnity Co. of Canada and the National-Liverpool Insurance Co.

Market Opinions

In the absence of major changes in stock market trends over the past week, most commentators continue to hold the view that sooner or later forces likely to bring higher stock prices will become effective.

Barron's, N. Y. (The Trader)—When the stock market "looks worst," when the bad news is out, has always proved in the past time to buy equities. It was so in 1933; it was so in 1938. The fact is that despite taxes many of the most severely dislocated businesses will in the coming year earn enough in the opinion of managements to justify dividends which will accord yields treble those of bonds. Under such circumstances, it seems inevitable that in due course the market will recognize the impossibility of meeting the enormous burden of fixed-interest-bearing national debts, except through the time-honored expedient of the dilution of the value of money.

* * *

Barron's (The Dow Theorist)—Divergency between the action of the two averages on which the Dow theory depends continues to be one of the outstanding features of the stock market. Before any important Dow theory indication can be given, it will be necessary for these two averages again to get in gear.

While the rise which began in December in both averages may turn out to be the first leg of a new bull market, the market is still some distance, under the Dow theory, from retracting the last major trend signal, that of a bear market starting in Sept., 1939. So far as the intermediate trend is concerned, the rally from the December lows looks like a secondary uptrend.

* * *

Brookmire Counselor, N. Y.—The sacrifices necessary to obtain ultimate victory, plus the impossibility of telling what shocks may meanwhile come from the many theatres of war, will continue to form the imponderables in the stock market outlook for 1942. Yet the low stock prices in relation to earnings and dividends imply a well-fortified market position. And the country's great resources of materials, labor and industrial genius, give basic cause for trust in the future. Part of the available cash in active funds should be used when the appropriate time comes. The necessity for sound diversification in stock portfolios is all the more important; and armament, inflationary types should be favored.

J. J. McHale Joins Huron & Erie Board

Huron & Erie Mortgage Corp. announces the election of John J. McHale as a director succeeding the late Lieut.-Col. Claude Brown who for 13 months following the outbreak of the war supervised the services of the Knights of Columbus Canadian Army huts in Great Britain. Born in St. Louis, Mo., Mr. McHale came to Canada in 1920 and has since been with the shoe company now known as Scott & McHale Limited of which he is president. A director of Walsh Advertising Company Ltd., Mr. McHale is now acting as special advisor to the Shoe Administrator under the Wartime Prices and Trade Board in connection with price ceiling regulations.

Bond Tenders

12 noon, Jan. 15, Canada Treasury Bills—$45,000,000, dated Jan. 16, payable Apr. 17, 1942.

Jan. 19, Megantic, P.Q.—$80,000, 4%, dated Dec. 1, 1941, due Dec., 1942-61.

One License Plate Only For Quebec Automobiles

Quebec province is issuing only one license plate for each motor vehicle in 1942. It is said that the major reason for this change is a request from the Steel Controller for Canada to cut down on steel consumption. This change has been responsible for the delay in issuing motor vehicle licenses in the province.

Premier Godbout announces that Quebec province and the Dominion have completed arrangements whereby the Dominion will take over the provincial tax fields for income taxes, corporation taxes and succession duties.

Mr. Godbout estimates the Dominion would compensate the province to the extent of about $22 millions for the taxes taken over. The province had budgetted for total revenues of $28.6 millions from the taxes affected for the current fiscal year.

Provincial financial authorities in Quebec see a definite effect on provincial revenues from restrictions on gasoline and car sales. About $1¼ million a year is brought in under the Motor Vehicle Law as taxes while gasoline tax revenues run above $10 millions annually. Total provincial government budget is about $85 millions.

Cost of administering the Motor Vehicle Act is about $235,200 per year and the gasoline tax branch costs $44,300. The cost of the license plates for motor vehicles is about $30,000 annually; $125,000 is paid as commission to issuers, and salaries in the motor vehicles branch run about $60,000 yearly.

Quebec province has a special situation which may be affected by gasoline and motor vehicle restrictions. The province has a number of toll bridges where revenues depend directly upon traffic. It is said there is a possibility that the revenue lost may mean deeper cuts into the roads appropriation of $7.1 millions voted last year.

These and other changes indicate that Provincial Treasurer Mathewson is likely to present a far different budget this year from that he had last year. Indications are that the province will adopt a policy of cutting expenses to fit its financial revenues. The whole matter will be threshed out when the provincial legislature opens, probably Feb. 13.

Lake Sulphite Sale Delayed

Court Gives Shareholders Another Chance to Arrange Better Deal

Court approval of the deal whereby Brompton Pulp & Paper Co. would purchase the assets of Lake Sulphite Pulp Co. from the liquidator has been held up until Jan. 23. The application was originally heard by the Ontario Supreme Court on Jan. 12. It was opposed, however, by the common shareholders' protective committee which sought an opportunity to make another offer before the court sanctioned the Brompton deal.

This opportunity is given the shareholders under the ruling of Mr. Justice McKay of the Ontario Supreme Court. The liquidator, G. S. Currie, is to call a meeting of shareholders on Jan. 22 giving them an opportunity to arrange for a better offer than that which has been received from Brompton.

Under the Brompton offer, shareholders would not receive anything and secured creditors would only get about 25% of their claims and unsecured creditors 10%. The shareholders' committee, represented by R. L. Kellock, K.C., sought a 60-day adjournment.

Kelvinator Sales Continue High

Kelvinator of Canada experienced generally improved sales volume in the year ended Sept. 30, 1941, reports G. W. Mason, president. The first quarter of the current year also shows satisfactory results, he reports.

The company is facing tremendous difficulties like other companies producing goods for civilian purposes from metals. Reduction in schedules for the standard lines has been necessary. The industry is rigidly controlled as to how much refrigeration equipment it can make and when it can produce it. Diminishing supplies of basic materials is continually being faced.

"Some sizeable contracts," have been awarded to Kelvinator by the Department of Munitions and Supply, states Mr. Mason. These contracts demand large outlays for plant additions and machinery and involve subcontracting with several Canadian and United States manufacturers. A plant addition is now being erected which will provide about 15,000 sq. ft. of additional space.

"It is very fortunate," he adds, "that your company is able to make the transition from its regular line of business to munitions with possibly less disruption than many other companies similarly situated."

Last year Refrigeration Supplies Co., a wholly-owned parts and supply subsidiary, had its best year to date. British Empire business was important last year. Improvement in the English situation is reported but it was still necessary to charge a loss of $45,000 for 11 months to Aug. 31 last against investment in Kelvinator Ltd., England. This investment is now shown at cost of $316,333 against which a reserve of $101,333 has been provided.

Details of the financial statements are shown elsewhere in The Post.

Aircraft Firms Have Big Backlog

From Our Own Correspondent

MONTREAL.—Aircraft manufacturing companies in the Montreal area—Fairchild, Aircraft, Canadian Vickers, Noorduyn Aviation—have orders on hand that will keep them occupied at maximum production until the end of next year, and some of them well into 1944, according to Ralph P. Bell, Director-General of Aircraft Production.

Conferences have been held between the Director-General, representatives of Montreal Aircraft Lodge 712, and chief executives of the aircraft companies to consider suggestions put forth by the union to step up production schedules.

Characterizing the meeting as indicative of the good relations between the companies and the workers, Mr. Bell said further conferences of a similar nature could not help but be of the utmost value to the increased production schedules.

CAN. FOREIGN INVESTMENT

Canadian Foreign Investment Corp. has advised the Montreal Stock Exchange that 894 preferred shares of this company have been redeemed and cancelled. Of this 888 preferred shares are part of a call of 1,000 shares authorized Oct. 23 and six preferred shares otherwise purchased for redemption. The number of preferred shares now outstanding is 6,966.

Southern Canada Load at Peak

Lack of Rainfall Partially Overcome and Power Said Available

Closing quarter of 1941 saw record demand made on the facilities of Southern Canada Power Co. It is stated that the company was able to handle all demands without any power shortage. It was forced, however, to purchase power for resale, a factor which contributed to reduced earnings in spite of higher gross revenues.

Lack of rain affected the company's ability to produce power in the period. Some rain fell in October and November and it is said the company entered the winter with storage basins as full as at this time last year, although still below normal. It is expected the company can handle its load this winter without serious difficulty.

Merchandising activities have been "very satisfactory" during the past few months. In spite of increasing difficulties in obtaining merchandise for sale to customers, the company claims to have ample supplies of most items on hand for the immediate future.

It is stated that certain additions and improvements to the company's facilities have been carried out and that numerous factories and other consumers in its territory are adding to demands.

Investment Notes

S. E. C.—A summary of security transactions and holdings includes the following of Canadian interest:

Distillers Corp.—Seagrams—Brintcan Investments has loaned 20,000 common shares and 12,500 preferred shares to Distillers Corp. Brintcan Investments retains 682,831 common shares directly and 17,050 preferred shares. Allan Bronfman, an indirect owner through Brintcan Investments, holds one common share directly and five preferred shares; through Holding Company B he holds 151,000 common shares. Harry Bronfman holds 73 common shares directly and no preferred shares; he is a holder through Holding Company C of 40,800 common shares as well as through Holding Company B and Brintcan Investments. Samuel Bronfman holds one common share and five preferred shares directly and is an indirect holder through Brintcan Investments and Holding Company B.

Fanny Farmer Candy—J. P. Hogan, officer and director, acquired 75 shares, holding 920.

Robert Gair Co.—T. R. Pierce, officer and director, acquired 50 common shares, holding 500, and 350 6% preferred shares, holding 500.

Howe Sound—Reed Schley, officer and director, acquired 100 common shares, holding 5,201.

Hiram Walker - Gooderham and Worts—H. O. Comrie Palmer, officer, disposed of 205 common shares, holding 40.

Canada Dry Defers Stock Offering

December Sales Set Record — Capital Increase Approved

Special meetings of shareholders of Canada Dry Ginger Ale approved the proposed increase in authorized capital. The president, Roy W. Moore, told shareholders, however, that offering of the new stock had been deferred because of uncertain financial and economic outlook. He stated the company had increased its bank borrowings from $500,000 in early December to about $1.4 million. The company plans to seek additional capital as promptly as the market permits.

Mr. Moore stated that December sales set a new record for the company for any month in its history and were 20% above volume for Dec., 1940. He mentioned that the company's position as regards its raw materials was satisfactory and that only four shipments of liquor imports had been lost out of over 600 in transit.

Twin City Transit Renovating Equipment

Twin City Rapid Transit Co. has been rehabilitating its old equipment and made a start before tire rationing was considered, according to D. J. Strouse, president. The company operates streetcars and buses in St. Paul and Minneapolis. Mr. Strouse claims the company will have all equipment in first-class operating condition by the time any substantial traffic increase can develop in its territory.

The company could handle up to about a 25% increase in traffic without difficulty by equipment already in use and is making a detailed survey covering steps necessary to meet various degrees of traffic growth.

Middle West Utilities Exemption Extended

Middle West Utilities Co. of Canada, which controls Great Lakes Power Co., International Transit Co., Lake Superior Power Co., Northern Public Service Corp., and Winnipeg Heating Co., has applied for and received extension of its exemption under the Public Utility Holding Company Act of 1935. The application to the Securities and Exchange Commission, Washington, has been granted and the exemption is extended to Dec. 31, 1943.

Dominion Oilcloth Pays Usual Extra

Dominion Oilcloth & Linoleum Co. has declared the usual extra dividend of 10c. per share on the common stock. The dividend will be payable along with the regular quarterly dividend of 30c. a share on Jan. 30, 1942, to shareholders on record Jan. 15.

Canada Northern Demand Holds

Some Increased Power Demand Reported From Various Mining Camps

Conditions in the mining fields served by Canada Northern Power Corp. show but little change in the last three months of 1941, according to B. V. Harrison, vice-president and general manager. Gold output is being well maintained and additions to equipment and construction of new mills carried out will result in increased power demands.

In northern Quebec, interesting developments from the company's standpoint include resumption of operations at the Golden Manitou Mines in Bourlamaque. Mill construction at Mic-Mac Mines is almost completed. Production has been increased at the Waite-Amulet Mines and additional equipment installed is adding to the power load. In the Malartic field, power demand at both Canadian Malartic Gold Mines and Malartic Gold Fields has been increased.

Mr. Harrison reports that comparative earnings for the 12 months ended Nov. 30 last against those of a year earlier were as follows:

Comparative Earnings
12 Months Ended Nov. 30

	1941 $	1940 $
Gross earnings	5,040,778	5,047,430
Less: Purch. power, oper., maint. & tax.	2,765,382	2,625,236
Net earnings	2,275,396	2,422,194

SEAGRAM SHARES TAKEN

Distillers Corp.-Seagrams Ltd. has advised the Montreal Stock Exchange that another 125 common shares have been taken up under the Schwengel option at $22 a share in Canadian funds. This makes the total number of common shares outstanding 1,753,870.

Many smart and distinctive fabrics have now arrived for Fall and Winter wear. Overcoatings — Suitings — Materials for Sport Wear — Evening and Day Dress.

May we have the pleasure of showing you these importations?

Levy Bros.
MAKERS MEN'S CLOTHES
69 KING STREET WEST, TORONTO

GOVERNMENT REGULATIONS CONSOLIDATION SERVICE
A CURRENT LOOSE LEAF SERVICE
Designed to keep on your desk—The text of Government Regulations constantly revised, condensed and up-to-date.
Index 1—National War Labour Board
Index 2—Wartime Prices and Trade Board (except Rent)
Index 3—Rentals Administrations
Special Binder supplied with each Index.
CONDENSED CONVENIENT ECONOMICAL
Mail Coupon Below for Full Particulars
Sanford Evans & Co. Ltd.,
WINNIPEG, Manitoba.
Please forward full particulars of the Government Regulations Consolidation Service.
FIRM ....
NAME ....
ADDRESS ....
SANFORD EVANS STATISTICAL SERVICE,
Winnipeg

• MEMO TO ADVERTISERS
A.B.C. REPORTS
HOW TO MEASURE
Advertising Values
We ask advertisers to think of the circulation of this newspaper in terms of the distribution of their advertising—the size, quality and interest of the audience to which their advertising is addressed. From that viewpoint our circulation becomes a more direct factor in business plans.
There are well-known standards for circulation values just as there are definite measures of weight and quality as used in the purchase and sale of merchandise.
The standards for evaluating circulation have been established by the Audit Bureau of Circulations, a national cooperative association of 2000 advertisers, advertising agencies and publishers in the United States and Canada. This newspaper is an A.B.C. member.
The Bureau has a large staff of experienced auditors and each year one of these men visits our office and makes an audit of our circulation records. Based on the information thus secured, the Bureau issues official A.B.C. Audit Reports.
These reports tell how much circulation we have, where and how it is distributed, how much people paid (important because paid circulation proves reader interest) and many other facts that make it possible to invest in newspaper advertising on the basis of known values.
For complete and verified information about the distribution of your advertising when it appears in this newspaper ask us for A. B. C. reports.
THE FINANCIAL POST
ABC
This newspaper is a member of the Audit Bureau of Circulations. Ask for a copy of our latest A. B. C. report giving audited facts and figures about our circulation.
A. B. C. = AUDIT BUREAU OF CIRCULATIONS = FACTS AS A MEASURE OF ADVERTISING VALUE

Bond Markets

Victory Loan Goal Jumps $100 Millions

Minimum Goal to be Same as in First Victory Loan — New Brunswick Reports Surplus Subject to Terms of Tax Deal

With the sights being raised in almost every sector of the war effort, the announcement that the minimum objective for the Second Victory Loan is to be $600 millions, instead of the $500 millions originally announced, was not unexpected, and the attitude of Loan workers remains: "We did it before, we can do it again."

There is sound basis for this optimism.

By the end of November, bank deposits had recovered some 70% of the drop occasioned by the June loan. The insurance companies which carried about 14% of the total in that loan are unofficially believed to be in a better lending position than they were at that time. The rate of community savings, as indicated by insurance sales, has been making new peaks at each monthly report.

Man Power Shortage

First effects of the organization period of the Victory Loan have been to drain the staffs of investment dealers even more drastically than was the case in the 1941 loan. A handful of investment men—some overworked—still remain in the financial districts, but some firms are so completely mobilized that there is no one left to answer the telephone. Normal business has again dropped to the vanishing point.

Enlistments and appointments to government and other war positions has made the problem of obtaining trained man power for the loan a paramount consideration. In some sections, this is being partially offset by shifting organization men from the jobs they held in the last loan. Special names committees, have, in some cases, been reduced and the lists of special buyers have been cut down. It was found in the first Victory Loan that a number of individuals originally included in these lists were not large buyers of bonds.

Some of these workers have been shifted to the enlarged employer-employee divisions where they will be engaged in one of the most dynamic sectors of the drive. No official objective has been announced for the amount to be raised from these industrial savers, but sources close to Ottawa talk of $100 millions, nearly the amount purchased by the insurance companies in the last loan. This figure cannot, of course, be taken as final, but when it is recalled that the total War Savings programme only recently passed the $100 millions mark, it provides an indication of how important this phase of the campaign will be.

* * *

Municipal Treasury Bills

Last week, the City of Owen Sound announced its first issue of municipal treasury bills. The interest rate was 1½%, reflecting the strong credit rating of the city.

In other centres, the attitude toward this form of financing continues to be somewhat mixed. Toronto, which was a heavy borrower on treasury bills for the first time last year, is not expected to return to this market to any extent this year.

The argument in favor of treasury bills, under which money is raised in anticipation of tax receipts, is that the interest rate is usually somewhat lower than that on bank advances. Last year, the accumulation of funds by institutional investors in advance of the Victory Loan was an important source of short-term funds. With a loan in February, this money will presumably not be available to the same extent this year.

The argument in favor of using the bank overdraft as a means of short-term financing is that under this system the municipality is only indebted for the amounts actually needed at the time. As receipts come in they are applied against the bank overdraft, with the result that the average amount outstanding is correspondingly reduced. The actual amount of interest paid may thus be lower than if treasury bills were issued at a lower interest rate. Individual municipal conditions of course determine which is the cheaper method of financing.

* * *

New Brunswick Surplus

Coincident with the announcement that the books have been closed on the recent offering of $4.5 millions of New Brunswick 4% sinking fund debentures comes the official statement of the province's financial year which ended Oct. 31, 1941. A surplus of $901,234 was reported for the year, largely as a result of increased revenues in all branches of the government. The total increase in revenues over the amount anticipated in the Budget amounted to $1,058,185.

Premier J. B. McNair, in presenting the report for the year states the accounts were closed without taking into account any adustment which may be rendered necessary by virtue of the agreement now pending between the Dominion and the Province whereby the latter would be required to undertake to vacate the income corporation tax deal for the duration of the war.

He quotes the auditors:

"It is possible that if, as and when the negotiations with the Dominion Government are completed, certain adjustments to the revenues of the current fiscal year of the province may be necessary."

Mr. McNair continues, "While the full facts of the Dominion's proposals on our revenues cannot be definitely determined at this stage, the public can rest assured that no new taxes will be imposed by the Province during the current fiscal year."

POWER EXECUTIVE

Louis O'Sullivan, who has been appointed to the newly created post of general executive assistant of Montreal Light, Heat and Power Consold.

ACCOUNTANT WANTED

Large manufacturing company in Montreal has opening for an experienced Accountant (Chartered Accountant preferred). Apply, stating age, qualifications and experience to—

Box 222, The Financial Post, Dominion Square Building, Montreal, Quebec.

Applications will not be considered from persons in the employment of any firm, corporation or other employer engaged in the production of Munitions, War Equipment, or Supplies for the Armed Forces, unless such employee is not actually employed in his usual trade or occupation.

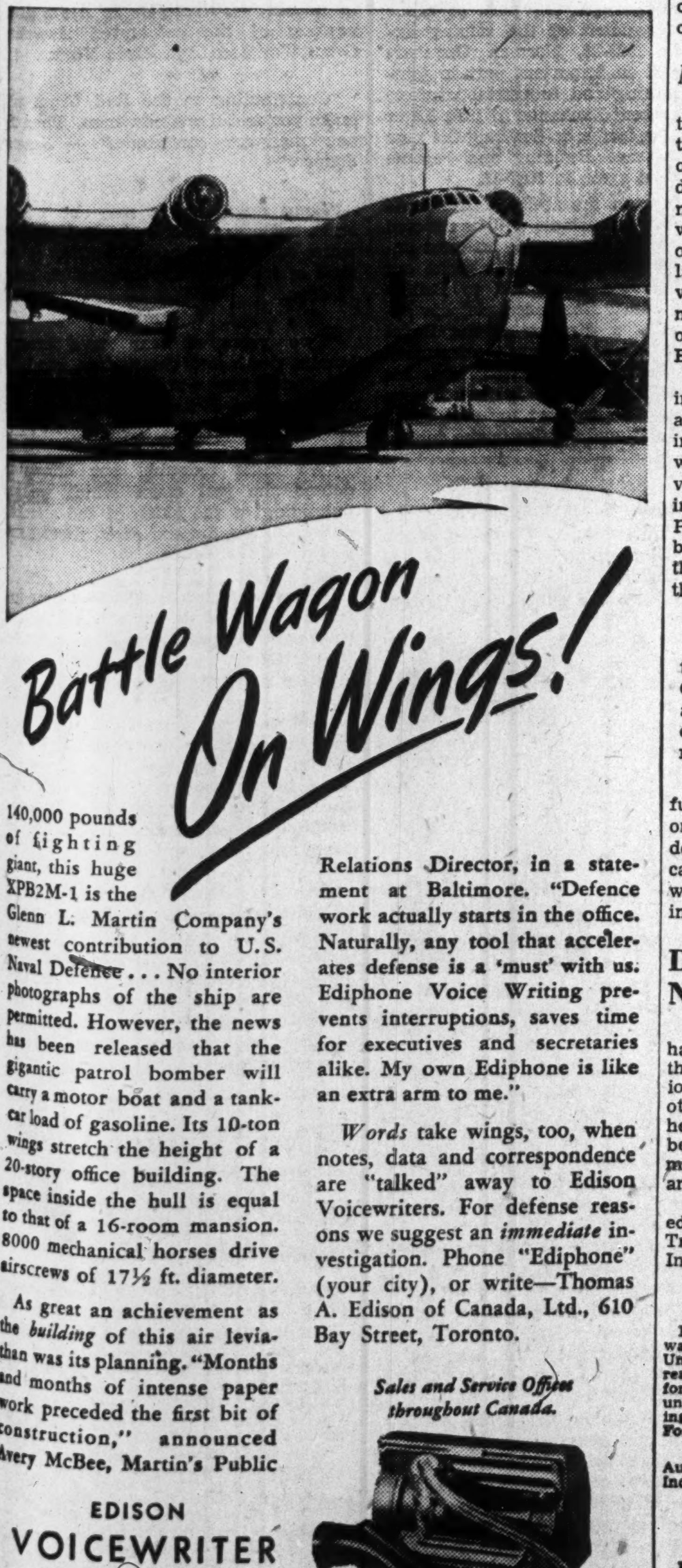
WANTED — ADDITIONAL LINES

By Large National Distributor

A large manufacturing and distributing organization of unquestionable financial standing and with 14 branches and warehouses across Canada from Halifax to Victoria, is desirous of handling the distribution of additional lines of equipment.

This Company has been established for over forty years, selling machinery, mill supplies, etc., direct to Canadian industry, and farm equipment, electrical appliances and automotive supplies through a large dealer organization. The Company's selling staff of 100 will be kept intact during the war.

This is an unusual opportunity for any manufacturer who, due to abnormal conditions, has found it difficult to operate profitably through former distributing channels. Correspondence is invited. Write to Box 100, c/o J. J. Gibbons Advertising Agency, 924 Dominion Square Building, Montreal.



140,000 pounds of fighting giant, this huge XPB2M-1 is the Glenn L. Martin Company's newest contribution to U.S. Naval Defence . . . No interior photographs of the ship are permitted. However, the news has been released that the gigantic patrol bomber will carry a motor boat and a tank-car load of gasoline. Its 10-ton wings stretch the height of a 20-story office building. The space inside the hull is equal to that of a 16-room mansion. 8000 mechanical horses drive airscrews of 17½ ft. diameter.

As great an achievement as the *building* of this air leviathan was its planning. "Months and months of intense paper work preceded the first bit of construction," announced Avery McBee, Martin's Public Relations Director, in a statement at Baltimore. "Defence work actually starts in the office. Naturally, any tool that accelerates defense is a 'must' with us. Ediphone Voice Writing prevents interruptions, saves time for executives and secretaries alike. My own Ediphone is like an extra arm to me."

Words take wings, too, when notes, data and correspondence are "talked" away to Edison Voicewriters. For defense reasons we suggest an *immediate* investigation. Phone "Ediphone" (your city), or write—Thomas A. Edison of Canada, Ltd., 610 Bay Street, Toronto.

Sales and Service Offices throughout Canada.

EDISON
VOICEWRITER
Ediphone

42-1N

Dosco Subsidiaries Elect New Chief Executives

To succeed Michael Dwyer, who has resigned from his positions with the company, subsidiaries of Dominion Steel & Coal Co. have elected other officers to the various positions he held. Harold C. M. Gordon has been elected president and general manager of Old Sydney Collieries and Acadia Coal Co.

Oscar P. Stensrud has been elected president and general manager of Trenton Steel Works, Ltd., Trenton Industries Ltd. and Eastern Car Co.

Foreign Exchange

During the week Jan. 6 to Jan. 12 there was no change in the quotation on the United States dollar at Toronto and Montreal which was $1.10 for buying and $1.11 for selling. The sterling rate likewise was unchanged at $4.43 buying and $4.47 selling. The rate is published daily by the Foreign Exchange Control Board.

Other Currencies, Jan. 12

Australia ... 3.58 N. Zealand ... 3.61
India .... .3353 S. Africa 4.47
Hong Kong .... .2835

Bond Redemptions

Bond issues:	Rate	Year	Due	Price
T. Eaton Rlty. .	*4%	1941	Jan. 29	100
Dom. Tel. Secs.	†5½%	1978	Feb. 2	par

*250,000. Bonds drawn may be surrendered prior to Jan.23, 1942, and receive principal amount plus interest to date of surrender. †94,800.

Canadian Car Carries Over Car Orders

Priorities Hold Up Deliveries—Progress Made in Aircraft and Shells

Priorities favoring wartime demands hit the domestic business of Canadian Car & Foundry Co. last year, states V. M. Drury, president. None of the orders received for new cars was actually completed during the year which ended Sept. 30, 1941.

The result was that, while substantial orders for cars for use in Canada and abroad were on the books and considerable inventories were purchased and held for several months, the company's car-building shops were comparatively idle during the year just closed. Recent weeks have seen some improvement and still further improvement is expected.

Mr. Drury expresses doubt, however, that "the situation will permit the placing of contracts for rolling stock by the railroad companies to the extent that could be normally expected by reason of the volume of business now moving over the railroads in Canada. This condition, however, augurs well for new business of this character in the future."

Aircraft Hits Snags

Mr. Drury tells shareholders that work on aircraft contracts proceeded under difficulties not foreseen at this time last year. Construction of Hurricane fighter aircraft at the Fort William plant had hardly reached maximum contract requirements when delays were incurred through modifications and changes made necessary from time to time by developments in the type of combat on the front lines in various parts of the world. Under the company's original schedule, it would have by this time completed total orders for 1,200 Hurricanes, but only about half of the total has actually been shipped.

Contracts for other aircraft and components have moved along at close to schedule rate of production. The company's Amherst, N.S., works produced the first Canadian-made Avro-Anson aircraft last August.

U. S. Buys Propellers

The propeller plant in Montreal is now in production and the new propeller has passed necessary government tests. In addition to orders from the Canadian government, a substantial contract has been received for propeller blades for the United States government.

Production of large calibre shells also suffered from changes in design. Mr. Drury states that "such work as has been done, however, has proved satisfactory in every respect."

The shell-filling plant operated by Canadian Car Munitions, Ltd., on behalf of the Canadian and British governments has been completed and is now in full operation. Some 10,000 employees are engaged at this plant, bringing total on wartime activities to well over 20,000. Special trains run between this shell-filling plant and Montreal daily, as well as a number of buses, to transport workers. Private railway cars and buses provide regular service over the seven to eight miles of roadways within this plant.

German-American Claim

Regarding the Mixed Claims award, Mr. Drury has the following explanation to make:

"The consolidated surplus account and working capital reflect the estimated net recovery from the award to agency of Canadian Car & Foundry Co., Ltd., by the Mixed Claims Commission, United States and Germany, after providing for all known liabilities for fees and expenses as at Sept. 30 last. The accounts do not reflect an amount of more than $8 millions still due to the agency company on account of principal and interest, respecting which any future receipts are dependent upon modification of the Settlement of War Claims Act by the Congress of the United States of America. Your directors are not in a position to know to what extent these 'futures' may be realized, but think it possible that some portion of same may be received during the coming year. United States Government taxes upon the amounts so far received by the agency company have not yet been assessed, but we believe that sufficient provision for same has been made in the statement submitted herewith."

Postpone Arrears Settlement

The abnormal conditions mentioned in the report, states Mr. Drury, as well as necessity of maintaining strong working capital "make it advisable in the best interests of shareholders, to postpone for the present any decision as to the liquidation of the arrears of dividends on the company's preferred shares."

Operations of Canadian General Transit Co. showed a "very substantial expansion" over the previous year. This company is controlled by Canadian Car & Foundry and owns and leases tank cars to shippers. It is stated that the company has been unable to find suitable work for its plant at Welland and the directors have decided to dismantle and dispose of the property.

Dominion-Scottish Pays 50c on Preference

A dividend of 50 cents a share has been declared on the preference stock of Dominion-Scottish Investments Ltd., payable March 2, 1942, to shareholders of record Feb. 20, subject to the approval of the Foreign Exchange Control Board. Arrears following this payment will amount to $6.12½ a share. Last previous payment was for 50 cents a share on Dec. 1, 1941, which left $6 a share of arrears.

SEAGRAMS RETIRES STOCK

Distillers Corp.-Seagrams Ltd. has advised the Montreal stock exchange that in December the company purchased for retirement 310 shares of 5% preferred. This reduced outstanding preferred stock to 155,800 shares at Dec. 31, 1941.

Late Harry Cockfield Another War Casualty

By H. NAPIER MOORE
Editor, Maclean's Magazine

On the wall of Harry Cockfield's office in Montreal there hang two framed documents. One of them, dated June, 1902, reads:

"Resolution adopted at a meeting of Protestant Board of School Commissioners.

"That Harry Cockfield, a pupil in the Sixth Year of Aberdeen School, who has passed through all grades of the Public Schools between the years 1895 and 1902 without having been once late or absent, and has stood first in his class each year but one, be granted a prize of Ten Dollars in special recognition of his record if he maintains it at the close of the present examination."

He got the $10. It was a tribute to grit. For the boy so suffered from rheumatism that frequently his father carried him to school on his back.

The other document is an appreciation from the British Ministry of Aircraft Production. With it is a cheque on the Royal Bank for One Dollar, in favor of Henry Reid Cockfield "in full payment of services rendered during 1940-41."

That, too, is a tribute to grit and determination. Harry Cockfield died in his office last week.

Director of aluminum production and distribution for the Dominion Government, he was dealing with national war business when he collapsed—a war casualty. In his 54th year, he had worn himself out with the strain of unceasing voluntary service to his country added to many business and public responsibilities.

Stanley Presbyterian Church, on Westmount hill, seats 900 people. Last Saturday afternoon, people stood three deep at the back as Hon. C. D. Howe, representing the Dominion Government, provincial cabinet ministers, civic and educational authorities joined with businessmen, publishers and friends who had come from all parts of the country to pay their last respects.

One of Largest

H. R. Cockfield, as managing director of Cockfield, Brown and Company, Ltd., one of the largest advertising agencies on this continent, was known to a vast industrial and publishing fraternity throughout North America and in Britain. Outside his business, his interests were varied and many.

The war effort was his chief concern. Yet, working long hours, he somehow managed to maintain to the full his lifelong interest in educational matters.

He was chairman of the Protestant Committee of Education for the Province of Quebec. From his father, Henry McKay Cockfield, he inherited a deep and active interest in education. He himself graduated from McGill University with an M.A. He won his B.A., with high honors, was a gold medalist, majored in Greek, and was offered a professorship.

J. W. McConnell gave him his first job, with Ogilvie Flour Mills. The stipend was ten dollars a week. A year later he became a salesman for the Herald Press. In Nov., 1913, he organized The Advertising Service Co. Ltd. in partnership with M. F. House. In 1915, the late C. T. Solomon joined the firm, managing the Toronto branch. A year later Cockfield bought out the House interests. In 1928, when Mr. Solomon died, the company was merged with National Publicity Limited, Montreal, operated by Warren Brown, who incidentally, had been a fellow salesman with Harry Cockfield in the old Herald Press. So the firm of Cockfield, Brown and Company was born. One of its directors was Gordon Scott. Seconded for war work, Mr. Scott accompanied Supply Minister Howe to England and was drowned in the torpedoing of the Western Prince. Thus two of the company's directors have died in the country's service.

Offered at Outbreak

At the outbreak of war, Mr. Cockfield offered his services to the Empire and, at the request of the British Ministry of Aircraft Production, undertook the work of supervising production and distribution of aluminum. When the Canadian Department of Munitions and Supply took over from the British, Mr. Cockfield agreed to carry on. Hon. Mr. Howe and other members of the Cabinet have testified the value of the services he rendered.

Harry Cockfield accomplished vastly more than most men find possible. He succeeded because he was well-disciplined. He had worked out a system of living and working which to some appeared almost Spartan. Yet he could relax. He was an ardent curler; liked to fish and shoot. He never neglected his church. He was passionately devoted to his home and family; proud of his two sons in uniform, one a sub-lieutenant on duty in the Atlantic with the R.C.N.V.R., one a lieutenant in the Ordnance Corps; proud of his third, schoolboy son; of his daughter, his wife.

You can see Harry Cockfield, riding to school on his father's back, determined that he would never be absent, never be late. You can see why, when last Wednesday his secretary urged him to leave his desk, he pointed to the pile of war-job correspondence and smiled, "I can't leave this."

McColl Oil Executives

J. M. Pritchard has been elected president of McColl Frontenac Oil Co., succeeding the late J. A. Wales. Col. A. A. Magee (left) has been elected Chairman of the Board. Mr. Pritchard has been associated with the company for many years as vice-president, while Col. Magee has served for some time as a director.

Wyatt Dick Joins Norton Co. of Can.

The Norton Co. of Canada announces the appointment of Wyatt Dick as Pulpstone Representative; succeeding Don. Chisholm, who was appointed Sales Manager.

Mr. Dick formerly was employed by the Spruce Falls Power and Paper Co., at Kapuskasing. Starting with that company in 1928, he worked at all the different occupations in the Groundwood Mill and for the past five years has been Assistant to the Superintendent of Groundwood and Paper Departments.

SECOND INTER-STATE

Second Inter-State Royalty Corp., has informed the Montreal Curb Market that as at Nov. 30, 1941, the company's investments in oil royalties had a book value of $264,463. Gross revenue from royalty income since acquisition amounted to $54,924 to Oct. 31, 1941, and the reserve for depletion totalled $15,104. During the month of Oct., 1941, the corporation had a gross royalty income of $167 while the accumulated royalty income for the year 1941 up to the end of October amounted to $5,752.

Envelopes

for every purpose

Barber-Ellis
of Canada, Limited

TORONTO - BRANTFORD
BRANCHES FROM COAST TO COAST

Classified Advertisements

Classified ads. cost 4c. per word and figure for each insertion. Minimum ad. 12 words. Add six words when box number is required. When replies are to be mailed to advertiser, add 10c. Classified ads. payable in advance. Contract rates on application.

EXECUTIVE ACCOUNTANT

FINANCIAL statements, auditing, public and internal, costing, office management, credits, graduate in accountancy. Senior degree credit management, open for engagement where ability will be recognized. Not eligible for military duties. Box 228, The Financial Post, Toronto.

DO YOU REQUIRE A CAPABLE MANAGER

43 years age, excellent business training with company manufacturing nationally known product, as manager in charge of sales. Branches, Purchasing, Production, Advertising. Box 225, The Financial Post, Toronto.

NORTH TURNER VALLEY

560 acres in Sections 4-16-20-28-32 all in Township 22, Range 4, West 5th, cash and royalty, W. A. McNabb, 236-8th Avenue West, Calgary, Alberta.

EXECUTIVE AVAILABLE IMMEDIATELY

ADVERTISER experienced in accounting, sales, advertising and management, seeks opening as manager of small business, sales manager, special representative or confidential secretary. Box 127, The Financial Post, Toronto, Ont.

MARINE INSURANCE

LARGE industrial corporation desires the services of an experienced marine insurance man. Permanent position. No objection to age if in good health. Must have thorough knowledge of marine contracts and adjustments. Apply Box 212, The Financial Post, Toronto, Ont.

CANNING FACTORY FOR SALE

MANUFACTURING capacity 700 cases daily. Built according to Government Regulations. Well placed at Grondines, P.Q. 45 miles from Quebec City on national road and facing St. Lawrence River with the advantage of all farm production from the Counties of Portneuf and Champlain. Price $25,000.00.

Apply to: Emile Guilbault,
Grondines,
[illegible]

C.P.R. Organizes Western Airlines

Operating Personnel of Various Divisions Has Been Set Up

From Our Own Correspondent

MONTREAL.—Canadian Pacific air services in the western district have been organized under the general superintendence of C. Becker, of Edmonton, according to announcement by Grant McConachie, assistant to the vice-president of C.P.R. western lines.

The new district will comprise lines in Saskatchewan, Alberta, British Columbia, and the territory in the north of those provinces.

B. Phillips, formerly vice-president of Yukon Southern Air Transport, has been named assistant to the general superintendent of the western district.

Setting Up Second Area

Another district comprising lines in Manitoba, western Ontario, and northern territory tributary to both, is in process of formation, and when completed will have its headquarters in Winnipeg.

These operations, before the Canadian Pacific acquired the component lines, were conducted by the following air companies, since merged by purchase: Canadian Airways and Ginger Coote Airways at the Pacific Coast; Yukon Southern Air Service, Mackenzie Air Services and Canadian Airways, Northern Alberta and Saskatchewan, and in the North West Territories; and Prairie Airways, at Regina.

Celanese Corp. Lists Additional Shares

Additional capital stock of Celanese Corp. of America has been listed on the Montreal Stock Exchange. This listing covers 148,179 shares of 7% second preferred of $100 par and 295,195 additional common shares.

These shares are being issued in connection with the merger of Celluloid Corp. with Celanese Corp. of America. Capital of Celanese Corp. will now consist of 2,148,179 shares, divided into 250,000 shares of $100 par prior preferred, 148,179 shares of second preferred and 1,750,000 no par common shares.

1882 • Modern for Sixty Years • 1942

Your Will can never

be entirely a permanent document. Changes in your family, your assets, your circumstances, will always make revisions necessary. Added to these in 1942 is the increase in estates taxation. Our officers can give you practical assistance in bringing your estate arrangements up to date. You will incur no obligation.

THE
TORONTO
GENERAL
★ TRUSTS ★
CORPORATION

Head Office: 253 Bay Street, Toronto

WARTIME WAGE CONTROL

Instructions to Canadian Employers and Employees concerning the Wartime Wages and Cost of Living Bonus Order, P.C.8253

THIS Order of the Dominion Government—which under the War Measures Act stabilizes wage rates and requires employers to pay a cost of living bonus—provided for the establishment of National and Regional War Labour Boards to administer the Government's policy.

National Employers

Communications from employers and employees in the following employments should be addressed to the Secretary, National War Labour Board, Ottawa:

(1) the operation of lines of steam or other ships, railways, canals or telegraphs, including all services ancillary thereto, connecting any province with any other or others of the provinces or extending beyond the limits of the province;
(2) the operation of any system of air, bus or truck transportation connecting any province with any other or others of the provinces or extending beyond the limits of the province;
(3) the operation of any electrical power or transmission works connecting any province with any other or others of the provinces or extending beyond the limits of any province, or serving two or more provinces;
(4) mining;
(5) the operation of any shipyard;
(6) all undertakings located in the Yukon or Northwest Territories.

Regional Employers

Employers and employees in employments other than those above designated should address their communications to the Regional War Labour Board in care of their respective provincial governments.

The Order provides that no increase or decrease in a basic scale of wage rates may be made by any employer. Violations of this Order are subject to penalties.

Extracts from the Order and the Board's Interpretative Rulings are given in the National War Labour Board's Bulletin No. 1, which may be obtained on application to any Regional War Labour Board.

HUMPHREY MITCHELL
Minister of Labour and Chairman
The National War Labour Board

Ottawa, Canada, January 12, 1942

The Editorial Page . .

Everyone's War

Everyone has a part to play in the war effort. This was the keynote in Morris W. Wilson's presidential address at the annual meeting of the Royal Bank of Canada. His emphasis on this point should be taken to heart by every Canadian for Mr. Wilson knows whereof he speaks. He is not only head of one of the principal chartered banks in Canada, but as Chairman of the British War Supply Council, in Washington, he knows, as few others do, the problems which face the democratic nations and what must be done to bring this war to an early and successful conclusion.

A considerable part of Mr. Wilson's address was given over to an outline of the war effort and its relations to the national economy. He told in simple language what this country has done and is doing. It is an inspiring record. Yet while we have done much, the battle has not been won. Much more remains to be accomplished before victory comes and, along those lines, Mr. Wilson did well to emphasize the fact everyone has a part to play.

We must keep before us, he said, the realization that our war effort consists, in a material sense, in things and services, especially goods, raw materials and manufactured products. We can not have these material things in the same free way we were accustomed to in pre-war days if we are to make an all-out war effort. As long as we maintain a needlessly high standard of living, Mr. Wilson said, to that extent do we definitely weaken the war effort.

Where the individual comes into the war effort is that we cannot and must not demand material things and personal services which should be available for the war. That is the contribution the individual is being asked to make.

In some cases it may involve personal sacrifice, but in no instance are we being asked to give up those things which people in other countries have, gladly and willingly foregone in order to fight and protect those ideals which we have attained under the present system of living. That is the point which Mr. Wilson stressed in his address: a full-war effort demands that careless spending be avoided. It can only be accomplished if everyone plays his or her part.

City Horses in Clover

Christmas comes but once a year to most of us, but to the butcher, milkman, baker and others who use horses for delivering their products, Christmas came on October 20 and does not end until July 1 next. The Dominion Government plays the role of Santa Claus to these people.

Under Order-in-Council 8067, provision was made for payment of freight charges on Western grain and millfeeds shipped into Eastern Canada for use "exclusively as feed for poultry and livestock." Originally the order was designed primarily to help the hog raiser. But the Order was so worded that partial payment of freight charges applies on all Western grains and millfeed used in feeding "livestock."

Horses are livestock, according to Mr. Webster, and the mills have been selling grain and feed to breweries, bakeries and other large urban users of horsedrawn vehicles who have not the slightest interest in raising hogs. Under the terms of the Order the millers allow the buyer of grain and millfeed who uses these products exclusively in feeding livestock, $4.50 a ton on deliveries in the Montreal Freight Rate Zone. The drawback rises to as much as $8.50 a ton at some Maritime points.

To date Canadian millers have billed the Dominion Government for slightly over a million dollars (which incidentally they have not been paid), representing the freight allowance on sales of grain and millfeed sold for use "exclusively as feed for poultry and livestock." Just how much of this applies on sales to bakeries, laundries, breweries and other users of horse-drawn vehicles is not known, but the figure is said to be high enough to make this class of "farmer" believe quite firmly in the existence of a Santa Claus.

To stop the leak would probably cost far more than it was worth. It would mean still more bookkeepers and accountants to an industry already overburdened with such overhead. It would also mean an army of policemen. But the situation again illustrates the far flung and originally unsuspected ramifications of practically any system involving subsidies.

The Financial Post's Platform For War

1. *Strengthening cabinet leadership by drawing on Canada's best executive brainpower irrespective of political consideration.*
2. *An inner war cabinet, free from departmental duties, to plan the nation's war effort and to see that the plans are carried out.*
3. *Appointment of a non-political industrial executive with complete authority to organize and direct procurement of munitions and supply.*
4. *Pay-as-we-go policy to the very limit consistent with an all-out war effort.*
5. *Elimination of wasteful spending by public bodies or private individuals.*
6. *A national programme to deal with post-war employment and relief problems.*

Winning the war has become the focus for all effort, national or personal, in Canada. It requires full mobilization of the nation's material and spiritual resources.

To the fullest degree this should be achieved by individual effort, freely made.

Strong national leadership will inspire service and sacrifice. In turn this will reduce the need for regimentation and compulsion.

Make it Nation Wide

The statement of aims of the "Committee for Total War," announced in Toronto this week, can hardly be improved upon as an expression of how Canada is to be organized for an all-out war contribution.

The Committee, in an advertisement published throughout the province, says:

> "There is only one way to meet total war—by total effort—that is to mobilize all our man power and material resources under a plan of universal compulsory selective service. Those who can serve best on the farms must work on the farms. Those who can serve best in the factories must work in the factories. And those best fitted to serve in the armed forces must be trained, equipped, and available for service in Canada or overseas anywhere at any time. That is the only way that our farms, our factories and our armed forces can wage total war. No half measures are consistent with national honor."

It would be unfortunate if the establishment of the Committee for Total War came to be regarded as an effort to give expression to the viewpoint of Ontario, as though that viewpoint were held only by the people of the one province. Anything calculated to set province against province would be most disruptive.

To avoid that danger it is to be hoped that the committee will seek to obtain nation-wide support for the programme it outlines.

The Financial Post believes that the simple statement of war purposes set forth above is one that can be supported and subscribed to by every citizen anywhere in Canada, who thinks that winning the war is the one thing that counts today. It is not a policy that needs to be imposed by one province or one group upon other provinces or other groups. It is a policy which the government of Canada itself should be putting into execution on a national scale, secure in the knowledge that it represents the views and the desires of the great majority of the people of this nation.

The matter is one of great urgency. Every day that the United Nations waste in organizing for All-Out War, for Total War, may represent a month later added to the length of the struggle. As one of the United Nations fighting dishonorable aggression in the world, Canada must not lag behind any other country; it must not remain out of step with Britain and the United States.

Need Alien Check-up

Many Canadians must wonder over the great amount of freedom allowed enemy aliens resident in this country. Other than having to report to the Enemy Alien Registrar monthly and getting permission to change their addresses, these people are perfectly free to go about their normal business. That many of these aliens are potential saboteurs is obvious. The suppression of information on sabotage in Canada has given the public the idea that such a thing is practically non-existent here.

That idea, however, appears to be far from correct. Inspector W. J. Nursey of the Toronto police in a recent talk to A. R. P. wardens said that the lack of publicity on sabotage occurrences was at the request of the government. He is quoted as saying: "Don't think it hasn't happened here. We wish they would tell you about some of the cases."

The Financial Post has already reported that British Columbia is deeply concerned over the disposition of its Japanese population with danger of sabotage, fifth column activity and race rioting being seen.

That so many enemy nationals who must in many cases still have a deep bond of allegiance to their home land are allowed so much freedom is nothing short of an invitation to trouble. An immediate tightening of the restrictions on enemy aliens is called for.

Activity is Not Prosperity

Beaudry Leman, president of the Banque Canadienne Nationale, in his annual address to shareholders last week pointed out a grim truth of the present economic situation that has been too frequently overlooked. Present business activity, stated Mr. Leman, is not to be confused with prosperity. Said Mr. Leman:

> "No greater delusion can be entertained than the hope that a country or its citizens can secure lasting material benefits from war, which is waste and destruction of materials, labor and capital. As the State runs into debt, it appropriates, through taxation, the products of the toil of its nationals. Deficit spending and borrowing has its limits that are to be found somewhere along the border line separating the total production of a country and the minimum to which consumption may be reduced. Sooner or later, the cost of war must be paid for in toil and self-denial."

Without seeking to restrict Canada's war effort, Mr. Leman, however, rightly urges consideration of the problem of excessive taxation. He points out that after this conflict the burden of carrying on, of providing the prosperity out of which must come the revenue to pay for a large part of rapidly accumulating debt must rest on the shoulders of private industry. The fabric of that industry must be preserved if we are to prevent economic collapse after the peace.

Editorials in Brief

If daylight saving throughout the year is a good war measure for the cities of Central Canada, then Ottawa should make the measure universal for the whole country, asserts the Truro News. This certainly seems like a sound argument. The present situation with two times operating throughout the country, is confusing and results in inevitable delays, two things we can ill afford in war time.

• • •

Aside from its effect on bolstering morale we can see little wisdom in extensive trial blackouts in inland cities of Canada. There is bound to be a vital loss of production in war factories and other plants which in most cases can only be darkened by throwing the main light switches. This means, of course, absolute stoppage of work so long as the blackout continues. Until there is some real likelihood of enemy air raids over Central Canada more practical and less costly ways of convincing the average citizen that we are at war, should be employed.

• • •

Every Canadian businessman will support the plea of Charles A. Roy, president of the Provincial Bank of Canada, in his annual address to shareholders, that government war regulations be made sufficiently flexible to allow for necessary changes. Much of the success of these regulations in aiding the war effort will depend upon how speedily they can be revised to allay genuine hardship and to adapt themselves to individual situations.

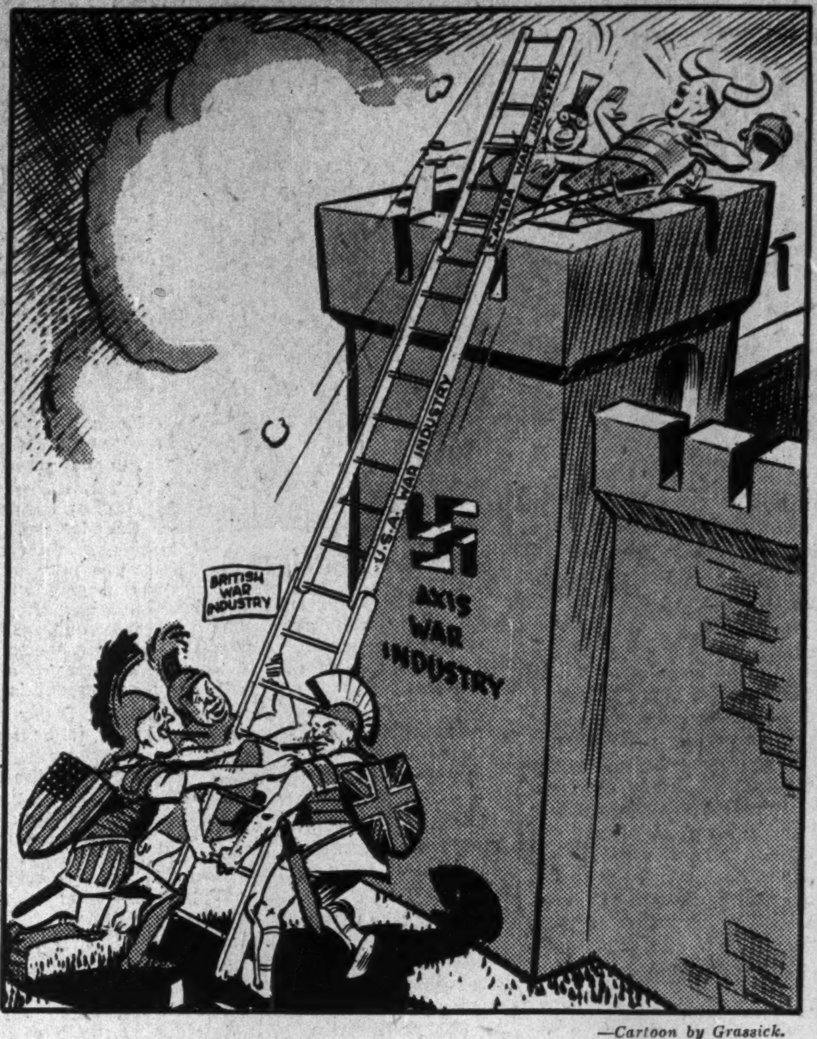
Mr. Roy points out the old law of supply and demand has been completely upset by the new government regulations of business, hence the importance of the officials at Ottawa realizing the potential danger of the weapon they are wielding.

• • •

This is not the time to waste energy on the problems of reconstruction after the war, asserts the Cleveland Plain Dealer, but rather we should concentrate on winning the war as speedily as possible.

With the latter thought every sane thinking citizen of the democracies will agree but it would be the height of folly to repeat the mistake of the first Great War, when peace problems were shelved until the last minute and then settled far too hurriedly.

Moreover the development and announcement of a sound peace policy as soon as possible would be one of our greatest war weapons. It would give new hope to the oppressed peoples of Europe, would do much to cut the ground from under the feet of Hitler and his allies.



—*Cartoon by Grassick.*

PLENTY OF LENGTH WHEN WELDED TOGETHER

Post-Scripts . . .

Forgotten Faces

Film Director Anthony Asquith, son of the late Prime Minister Asquith, is troubled by inability to remember names. Even those of old friends, waiting for an introduction, are often forgotten.

Recently he was eating at the Savoy all by himself, when looking up from his newspaper, he saw a familiar face in front of him. But he could not recall the name.

He stood up, shook hands warmly with the man and said:

"How are you? Where have you been? Have a drink? Are you eating by yourself?" Other similar polite remarks were made while Asquith tried desperately to remember the name.

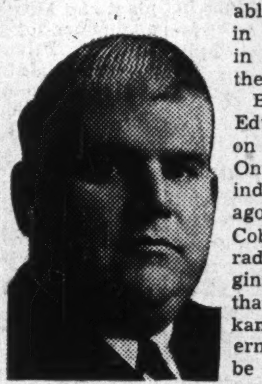
The man showed visible signs of embarrassment finally, when the film director paused for breath, he explained quickly:

"I'm the waiter, sir."

• • •

A Pioneer

Thirty-three years is a long time in the history of any stock exchange, and in terms of the events that have taken place, the last three decades have probably been longer in Toronto than in most parts of the world.



N. C. URQUHART

Back in 1908, Edward VII was on the throne, Ontario's mining industry was still agog over the Cobalt boom and radicals were beginning to think that the Temiskaming & Northern Ontario would be more important in developing mining areas than in tapping the agricultural clay belt for which it was built. The big market for oil companies was still the kerosene lamp, and it was expected that transportation would be revolutionized by trolley systems spouting from the recently harnessed Niagara River.

Ontario was bursting with the energy of undeveloped resources. One of the ways that energy was being loosed was through the growing community of stock brokers in Toronto. To one of these, J. A. McCausland, came young Norman C. Urquhart and until a couple of weeks ago, he had stayed with brokerage in Toronto ever since.

When, in 1921, Norman Urquhart started his own firm, it was as a member of the booming Standard Stock & Mining Exchange. Right from the start he has been identified with mining, but he never engaged in the big public business that spread the names and board-rooms of his contemporaries across the Dominion. Urquhart's business was always pretty well confined to a few clients with large assets. Envy of the mushroom type of brokerage office whose business almost disappears in quiet markets, Norman C. Urquhart's customers were always "in the market."

He was never a "promoter," never a source of market tips. The nearest he came to being classed as a promoter was when he took an interest in a struggling young prospect known as Noranda Mines. He was one of the first to trade in the stock and he stayed with it all the way until it became Canada's largest copper-gold producer, itself controlling a number of younger mines.

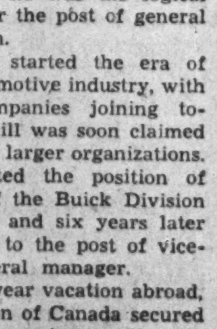
A high respect for his business ability was accompanied by personal respect and confidence on the part of other brokers. President of the mining exchange in 1928-29, Norman Urquhart later played an important part in joining the mining and industrial markets into the present Exchange in 1934. Later on, he was a leader in building the new Stock Exchange Building and became the president again in 1937-38.

From now on the abilities that made him a leader in business will be devoted mainly to what has become his most important occupation since war broke out—managing Red Cross aid to British prisoners. As a final accolade, his appointment as a director of the Royal Bank of Canada was announced shortly after his resignation from his brokerage firm. Rumor is that Ottawa has earmarked Urquhart for even more important national service in the future.

• • •

Reared in Car Era

C. W. Churchill, new President of the Chrysler Corporation of Canada Ltd. has been practically reared in the automobile industry. Born and educated in Detroit, centre of the automotive industry of this continent, it was natural for him to turn to selling cars when the time came for him to choose a career.



C. W. CHURCHILL

In 1904 Mr. Churchill started in business on the retail sales force of the Winton Company in Cleveland and after two years he was appointed to manage that company's New York business.

Another promotion was earned quickly when a couple of years later found him in the post of General Sales Manager. In this senior position he soon acquired sound knowledge of the company's entire operation and he was the logical selection in 1915 for the post of general manager of Winton.

About this time started the era of mergers in the automotive industry, with many smaller companies joining together. Mr. Churchill was soon claimed by one of these new larger organizations. In 1921 he accepted the position of director of sales of the Buick Division of General Motors, and six years later saw him promoted to the post of vice-president and general manager.

Following a two year vacation abroad, Chrysler Corporation of Canada secured his services in 1934 as vice-president in charge of merchandising. This post he has held continuously until his appointment last week as president of the company in succession to Jno. D. Mansfield who was appointed chairman of the board.

Tall, spare and fair C. W. Churchill is well known to Canadian newspapermen from coast to coast and though inclined to be retiring he is becoming better known to the Canadian public. He is now serving his third term as president of the Canadian Automobile Chamber of Commerce.

• • •

Mining Dean

To most individuals, three score and ten years represents a goodly span of life but to the "Dean of Canadian Mining," Dr. Joseph Burr Tyrrell, LL.D., 70 was just an important landmark in a long and eventful career. Today at 83, Dr. Tyrrell still takes a keen and active interest in the world around him, still goes down to the office in the morning, still has color in his cheeks that could well be the envy of a man of 40.

DR. TYRRELL

Not many years ago, doctors were shaking their heads at Dr. Tyrrell's bedside. "Too bad but poor old Dr. Tyrrell will never walk again" was the view of at least one of them. Dr. Tyrrell did, as a matter of fact, spend a year in bed—and several years at home. But the doctors had failed to realize that this was no ordinary man with whom they were dealing. This man had suffered untold privations—even lack of food—on Arctic expeditions, had made a first foot survey of the Crow's Nest Pass for the Dominion Government in 1883, and he still had the stamina to throw off the heart ailment which threatened him then. Today Dr. Tyrrell really gets around and he doesn't need a cane either!

President of Kirkland Lake Gold Mining Co.—whose successful development can be traced directly to his correct interpretation of geological conditions in western Kirkland Lake—Dr. Tyrrell is today just as interested in the rôle of gold in national affairs as he is in winning the yellow metal from mother earth. Over a period of years, he has built up what is claimed to be the most extensive private library on the subject of gold existing anywhere in Canada.

In the realm of international affairs, Dr. Tyrrell holds great hopes for the promised freer trade between Canada and the United States. He believes implicitly that two peoples, who are otherwise united in supporting mutual friendship and goodwill, cannot continue customs duties and border tolls. Freer trade is seen as a cogent factor in strengthening present bonds between the two countries.

• • •

Sayings of the Week

"If anybody wants to play rough, we can play rough, too!"—*Winston Churchill.*

• • •

"We can lose this war . . . far too few of us understand that."—*Hanson Baldwin, New York Times military critic.*

• • •

"I'll do my best, but I ain't guaranteein' nothin'."—*Private Clyde Alvin York, nephew of the celebrated American Great War hero, Sgt. Alvin York.*

• • •

"Contributing to the Red Cross will make you feel like a new man. Then the new man can contribute." — *Senator Soaper.*"

• • •

"Long engagements may be out of style, but we're glad we waited until we were sure."—*Tommy Manville, at the time of his fifth marriage, which lasted 17 days.*

• • •

"Two years of war have brought bombs, death and destruction, but have not done away with that cherished institution—the British Weekend."—*Eddy Gilmore.*

• • •

"We must redouble our efforts to defend the just cause which we are upholding at the sides of the attacked nations."—*Sir Eugene Fiset, Lieutenant-Governor of Quebec.*

• • •

"The essential duty, the first duty imposed on all of us, is to work without ceasing, with ever increasing ardor for the victory of our arms." — *Premier Adelard Godbout of Quebec.*

• • •

"One can only come to the conclusion that the Japanese are an inhuman and half-civilized race, and in the future will have to be treated as such."—*Senator Burton K. Wheeler, former U. S. arch-isolationist, commenting on bombing of Manila.*

• • •

"We stand behind demands for every sacrifice, however extreme, every sacrifice whether of time, money, property, income, as well as men for the army, so long as the laws making these demands are equitable and fair and apply everywhere without discrimination."—*Rt. Hon. Arthur Meighen, new leader of the Conservative Party.*

The Financial Post
Member Audit Bureau of Circulations
A weekly newspaper, presenting in a popular manner reliable information respecting investments, business and national affairs in Canada.
FLOYD S. CHALMERS, Editor
DOUGLAS M. GOWDY, Business Manager
Published by
The MacLean Publishing Co., Limited
481 University Avenue, Toronto 2.
JOHN BAYNE MACLEAN, Founder and Chairman.
HORACE T. HUNTER, President.
H. VICTOR TYRRELL, Vice-President and Managing Director.
Subscription Terms: Single copies, 10 cents. Yearly, in Canada, United States, Mexico and British Empire, $5; all other countries, $8.
Advertising Rates: Single insertion $4.20 per inch. Contract terms upon request.
Montreal: Dominion Square Building, Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor.
Ottawa: 280 Irving Ave. (Tel. 8-0847); Kenneth R. Wilson, Resident Correspondent.
New York: 522 Fifth Ave.
Chicago: 309 West Jackson Blvd.
London, England: Quadrant House, 55 Pall Mall, S.W.1.

Other People's Views . . . .

The Canadian Editorial of the Week

Political Fiction

Halifax Herald

Why do public men persist in propagating the fiction that the people of Canada voted against conscription in March, 1940? They did nothing of the kind, for the simple reason that conscription was not an issue in that general election. The leaders of both major parties had removed it entirely from the list of issues to be voted upon.

No; the people of Canada did not vote against conscription in that election—and they did not vote for it—because they were not asked to vote on the question one way or the other.

Why then, this curious effort to read into the results of that political election public pronouncements, public mandates, that were not there at all? Before there can be a mandate, there must be an issue. And the issue simply wasn't raised in the general election of March, 1940.

• • •

As Others See Us

Problem of Government

Stratford Beacon-Herald

Canada's problem of government resolves itself down to this one vital question: Can a non-party Government expand this country's war effort to total proportions, and thereby obtain and maintain full national unity, more efficiently than the one-party Federal Government has been able to do?

The Financial Post has added its voice to the rising chorus of independent newspapers and individuals who are making vocal the demand for a broader-based wartime Government at Ottawa. Is there enough latent independence in Parliament —alike in the Cabinet and in the House of Commons — to convince the Prime Minister that the time is here for a more truly representative Administration than is possible under his one-party government? That question needs an answer before the war is much older.

• • •

National Leadership

Brantford Expositor

The widening and ever more insistent demand throughout the country is that Canada have a National Government in the broadest meaning of the term. The Financial Post in a front page editorial in its current issue summarizes the case thus:

> "The cabinet must . . . include a full representation of all important elements of the nation . . . If necessary, Mr. King must go entirely outside the House of Commons for such leaders as he has done in the case of Mr. Mitchell and the new minister of justice, Mr. Laurent.
>
> "For over two years the management of our affairs has been in the hands of a party government. It has failed to secure unity and maximum efficiency . . .
>
> "We believe that only through a representative, non-partisan government can the nation achieve that unity, that spirit of fight, work and sacrifice that is vital to the winning of the life and death struggle in which we are engaged."

The Financial Post has echoed, in effect, the demand The Expositor has been making consistently and persistently ever since the war started and, indeed, before the war started. Time and events have proved the wisdom of this advocacy.

• • •

Need Broader Government

Charlottetown Guardian

In its current issue The Financial Post enunciates a new wartime editorial policy. "Up to the present," it says, "it has been our conviction that a party government, kept alert and efficient by a vigorous opposition, could, did it so desire, prosecute the war effort with strength and efficiency. But the gravity of the situation, the increasing magnitude and cost of that effort, and the evident disinclination of the government leaders to eschew party considerations, compel us to change our view.

"We believe now that only through a representative, non-partisan government can the nation achieve that unity, that spirit of fight, work and sacrifice that is so vital to the winning of the life and death struggle in which we are engaged."

Last week The Post wired a wide range of newspaper editors asking them for an expression of opinion on this subject. The list of editors was selected without regard for party or other affiliations. The majority emphatically supported the view that the new war crisis demands an immediate broadening of the Canadian Government, that a really representative administration is now essential for a full-out prosecution of the war.

• • •

Weekly Press Creed

Elora Express

The Financial Post has been conducting a questionnaire on the five most important steps Canadians must take this year to speed victory. We give you the answers of Dr. David Williams of the Enterprise News Bulletin, Collingwood—as representative of Canadian Weekly Newspapers:

1. Strengthen forces for service at home or overseas.
2. Ignore the evidence of waste and extravagance and buy war savings certificates.
3. Support the new Victory Loan to the last copper available.
4. Accept regulations respecting food, gasoline and other necessities readily and thereby avoid embarrassment for the higher councils of the Dominion.
5. Maintain a 100% unified effort between capital and labor, the support of the front lines that there may be even a greater supply of munitions, ships and other war supplies necessary to the support of the front lines.

• • •

Labor Casualties

Saskatoon Star Phoenix

The Financial Post has figured that the working days and hours lost by reason of accidents this year will be the equivalent of the work required to manufacture 100 great bombers. That is a severe loss to the war effort and should be avoided if possible.

• • •

Broaden the Cabinet

Fort William Times Journal

The Financial Post takes the view that in a situation of such a critical nature as that which prevails today the war administration should be non-partisan and that party politics should be cast aside completely for the duration.

As a matter of fact the composition of the present parliament is so predominantly Liberal that it would be incongruous if the cabinet were not predominantly of the same party. At the same time it is evident that Prime Minister King realizes that party should not be the sole consideration in filling vacant portfolios.

An instance of this is seen in the appointment of Humphrey Mitchell to the important post of Minister of Labor. It would seem that in filling cabinet vacancies as they occur, the Prime Minister should seek for the man best fitted for the post in question regardless of his political career, if any.

The appointment of Mr. Mitchell goes to show that the Prime Minister is not averse to such a point of view. In fact, if there are any weak spots in the cabinet and the Prime Minister is aware of better men, who could give more effective service to the country in its critical hour, he should not hesitate to conscript them and their talents for the national service.

• • •

The Mail-box

Exchanges Essential

Editor, The Financial Post:

While I have not heard of any threat or likelihood of closing Exchanges in Canada, I was glad to read your editorial "An Essential Service."

Investment dealers all recall the chaotic conditions resulting from closing our exchanges during the early part of the last war, with serious and unnecessary losses to investors.

The experiment was withdrawn and exchanges reopened after some four months trial to the benefit of all concerned. With that experiment, only those who did not experience it would consider going through it again.

It is always well to anticipate such possibilities and your article would be most effective should any group have in mind advocating closing.

I heartily commend you for your foresight.

Toronto. H. G. STANTON.

• • •

Stop Me If . . .

In London the other day a man was seen running along the Strand shouting at the top of his voice, "No! No! Certainly not!"

A policeman stopped him and said: " 'Ere, you what's the idea?"

"It's all right, officer," was the reply, "I'm a 'Yes' man on holiday."

The Week in Business

Business indicators of direct importance to the man-in-the-street are the payroll index and the cost-of-living index—how much he is getting and how much he is paying out.

The payroll index for November showed a moderate recession to 186 from 189 in October but was well ahead of the 145 figure reported for a year ago.

Cost of living is down with the index for December 115.8 compared with 116.3 in November. A year ago this index stood at 108.0.

Automobile sales were down 56% in November from a year ago; for year to date drop is 14.2%. Truck and bus sales were 17% higher in November and 21% up on the first eleven months.

Railway carloadings the first week this year were 14.5% higher than the same period a year ago.

Gross railway revenues for the first week of the year compared with a year ago were 17.1% higher for C.N.R. and 19% higher for C.P.R.

Flour exports for 1941 were 64.1% higher than in 1940; wheat exports were up 41.3%.

Coal production in first eleven months of 1941 was 2.9% higher than same period of 1940; coal imports were up 19.4%.

Cattle sales in 1941 were 7.8% higher than in 1940; hog sales were up 15.1%.

Trend of business shown by The Financial Post Business Index and key factors follows. New items marked thus ■.

MONTHLY INDICES

	Dec.	Nov.	Oct.	Sept.	Year Ago
The Financial Post business index	....	*168.0	168.0	167.4	153.4
National Income, D.B.S.•	....	b442.3	440.9	446.4	427.7
■Retail sales index no.	....	138.6	138.0	136.4	123.0
Dept. store sales index no.	....	138.4	136.5	136.6	128.5
Wholesale sales index no.	....	147.4	170.5	171.2	131.7
Country store (% change pr. yr.)	....	+5.0	+8.1	+11.9	+15.4
Divd. payment index♦	120.3	119.3	118.5	118.7	120.5
COST OF LIVING—					
■D.B.S. index	115.8	116.3	115.5	114.7	108.0
EMPLOYMENT INDEX Nos. D.B.S.					
All industries	....	....	165.8	162.7	136.2
Manufacturing	....	....	185.0	181.5	143.8
■Payroll index (a) (1937=100)	....	186	189	174	145

	1941-42	1940-41	Jan. 1 to date 1941-42	Jan. 1 to date 1940-41	% Change
RAILWAYS—					
■Carloadings (week Jan. 3)	49,392	43,136	....	....	+14.5
■C.N.R. gross (week Jan. 7) $	5,179,000	4,423,000	....	....	+17.1
■C.P.R. gross (week Jan. 7) $	3,766,000	3,140,000	....	....	+19.9
C.N.R. net revenue (Nov.) $	5,719,836	5,524,224	60,347,891	38,733,861	+55.8
C.P.R. net revenue (Nov.) $	5,201,226	5,072,617	40,866,785	30,833,231	+32.5
IRON AND STEEL—(November)—					
Pig iron production (tons)	133,735	109,576	1,215,957	1,058,417	+14.8
Steel ingots and castings prod. (tons)	221,367	176,113	2,193,276	1,825,752	+20.1
AUTOMOBILES—(Number)—					
Passenger Cars:					
■Domestic sales* .. (Nov.)	3,385	7,616	79,775	93,014	—14.2
Factory output .. (Nov.)	7,003	10,814	87,394	98,366	—11.1
Trucks and Buses:					
■Domestic sales .. (Nov.)	1,782	1,525	32,218	26,618	+21.0
Factory output .. (Nov.)	14,542	12,807	162,724	101,288	+60.7
Financing:					
Used (Nov.) $	1,759,330	2,933,677	47,172,521	39,111,863	+20.6
New (Nov.) $	1,107,542	2,571,930	33,419,772	30,631,576	+9.1
CONSTRUCTION—					
Contracts awarded .. (Dec) $	19,109,900	16,918,300	393,991,300	346,009,800	+13.8
Cement prod. bbls. . (Oct.)	1,042,685	1,099,092	7,324,025	6,627,710	+10.5
AGRICULTURE—					
Flour prod., bbls. (Nov.)	1,664,803	1,588,428	18,894,608	15,178,784	+24.5
■Flour exp., bbls. (Dec.)	930,236	345,611	11,439,191	6,970,902	+64.1
■Wheat exp., bush. .. (Dec.)	18,271,042	11,762,411	196,646,340	139,169,671	+41.3
■Cattle sales▲ (Dec.)	116,022	86,728	1,239,526	1,149,255	+7.8
■Hog sales▲ (Dec.)	799,647	778,911	6,426,990	5,583,942	+15.1
SEA FISHERIES—‡					
Catch cwts.▲ (Nov.)	934,600	907,100	10,421,100	10,487,800	—0.6
Landed value (Nov.) $	1,438,200	886,000	24,489,030	17,122,300	+43.0
NEWSPRINT—					
Production tons ... (Nov.)	300,308	282,344	3,125,042	3,165,906	—1.3
Exports (Nov.) $	14,205,000	13,348,000	142,794,000	136,478,000	+4.6
MINING AND OILS—					
■Coal prod., tons (Nov.)	1,825,158	1,878,344	16,360,474	15,895,789	+2.9
■Coal import, tons .. (Nov.)	2,795,680	1,460,523	19,975,378	16,703,700	+19.4
Gold rec., fine oz. (Nov.)	415,265	456,230	4,679,764	4,550,063	+2.8
Crude oil, imp. gals.† (Oct.)	154,688	178,569	1,358,652	1,239,104	+9.6
ELECTRIC POWER OUTPUT—(November)—					
Total monthly, 1,000 kw.h.'s	3,183,982	2,524,860	30,224,560	27,495,907	+9.9
FOREIGN TRADE—♦					
Imports (Nov.)	$134,190,517	102,283,687	1,322,905,951	979,648,243	+35.0
Exports (Nov.)	$164,078,629	118,404,151	1,488,363,429	1,094,506,932	+35.9
OTHER INDUSTRIAL FACTORS—					
Dressed lumber exp.: 1,000 bd. ft. (Nov.)	182,495	231,532	2,142,590	2,261,389	—5.2
Shoes, prod., pr. (Oct.)	3,141,512	2,531,659	26,975,064	21,985,976	+22.7
Cotton consump., lb. (Oct.)	18,341,242	16,662,648	165,591,120	158,881,558	+4.2
Raw rubber imp. lb. (Oct.)	9,923,038	18,056,804	137,178,658	86,140,318	+59.3
Cigarette cons., No.† (Nov.)	753,932	686,868	7,861,717	6,999,004	+12.3
Sugar manufactured .. lb.‡	167,952,019	164,005,409	1,109,532,309	1,050,570,832	+5.6
FINANCE—					
Bank debits† (Nov.) $	3,426,906	3,049,322	35,556,411	31,229,127	+13.8
Bond sales† (Nov.) $	94,861	108,484	2,264,844	1,963,606	+15.3
Life insurance sales (Nov.) $	44,984,000	32,899,000	381,743,000	331,490,000	+15.1

*D.B.S. All Canada figure covering 90% of the Canadian Total.
‡Unrevised figures covering N.S., P.E.I. N.B., Que., B.C.
▲Total at yards and plants. New items for week marked ■
†000's omitted. ‡For four weeks to Nov. 29. ♦Gold excluded.
•Millions of dollars. *Preliminary. ♦Supplied by Nesbitt, Thomson & Co.
(a) Compiled by Canadian Bank of Commerce. (b) Preliminary.

CONSIDER the FARMER

The farmer is not just an "average" purchaser...... he is a manufacturer as well as a consumer and his necessities include many additional items rarely used by the average urban buyer.

Keep that point in mind when considering the farm market . . . and remember that the Canadian farmer is today in a position to buy MORE of these necessities because of his vastly improved purchasing power.

That is why one of the best sales fields for 1942 is the rural market. Also remember that ONE publication, the Family Herald and Weekly Star gives you an entry into more than 300,000 top-income BUYING homes from coast to coast—coverage that puts plenty of "staying power" behind your advertisements.

Family Herald and Weekly Star
CANADA'S NATIONAL FARM MAGAZINE
MONTREAL CANADA

On the Record

The sum of $3,201,402,489 of contracts have been awarded and commitments made by the Department of Munitions and Supply on Canadian, United Kingdom, and other account from July 14, 1939 to Dec. 31, 1941.

Molasses, non-edible final cane black strap, high test molasses, and sugar beet molasses have been declared "chemicals," and control of distribution is taken over by J. D. Lorimer, Chemicals controller.

Sixty per cent of national income will be required for war and normal government expenditures for 1942-43.

Commodity Prices Stabilization Corporation has been incorporated to be responsible for subsidies which may be paid to maintain the price ceiling. **Hector B. McKinnon,** president; **S. R. Noble,** vice-president; **W. L. Gordon, Hugh D. Scully** and **David Sim,** corporation directors; **O. B. Thornton,** comptroller; **W. Williamson,** treasurer; **H. D. Anger,** secretary.

Sixty-five yards of silk are required to make one standard R. C. A. F. parachute.

Forty-two and a half million tons of cargo has been convoyed from Canada to Great Britain since the war began.

Thirty-six new industries or branch plants were established in Canada during 1940 by American or European capital, according to a survey made by The Financial Post Business Year Book; 10 of these industries were started by capital imported from European countries, the others mainly by American interests.

Net profits in 1940 of 157 companies were 5% lower than in 1939 according to study by The Financial Post Business Year Book. Profits before taxes were deducted were up 27%; taxes were increased 142%.

Building in '41 Up 14% Residential Gain Biggest

Total construction contracts awarded in Canada during 1941 amounted to $393.9 millions, an increase of 14% over the 1940 figure of $346 millions, according to a MacLean Building Reports tabulation.

Of the individual building groups, residences provided the greatest increase with 8,596 more units and $27 millions greater value or 45.8% over 1940. This was caused in part by operations of Wartime Housing Ltd. which accounted for about 5,000 units.

Generally speaking, private construction fell off, particularly where the use of steel would be normal or in buildings of more than two stories. Office building increased due to government buildings of a temporary character but also to increased factory operations. War activity increased warehouse construction by $3.5 millions or 42.4%. Goods are being turned out in large quantities and must be stored prior to use or shipment.

Trends of construction activity in Canada last month and for all 1941, analyzed according to chief categories of projects started, are shown in the following tabulation by The Financial Post from the monthly building statistics of MacLean Building Reports:

Details of December Awards

	1941 December $	1940 December $
Apartments	63,500	1,085,400
Residences	4,675,300	3,195,500
Total residential	4,738,800	4,280,900
Churches	45,100	21,000
Pub. garages	222,000	143,100
Hospitals	450,900	244,100
Hotels, clubs	68,500	101,300
Office bldgs.	206,500	193,300
Public bldgs.	1,707,800	3,727,200
Schools	59,000	128,000
Stores	242,900	620,100
Theatres	19,100	144,000
Warehouses	765,700	336,400
Total business	3,787,500	5,658,500
Total industrial	8,785,200	6,067,700
Bridges	25,500	5,700
Dams, wharves	134,000	45,300
Sewers, watermains	490,500	425,100
Roads, streets	480,400	435,100
Gen. engineer'g	668,000	......
Total engineer'g	1,798,400	911,200
Grand total	19,109,900	16,918,300

Provincial totals for the month were as follows:

Ontario	$5,640,400
Quebec	6,408,400
British Columbia	2,224,700
Nova Scotia	2,609,400
Alberta	886,800
Manitoba	732,100
Saskatchewan	423,500
New Brunswick	180,600
P.E.I.	4,000

Contemplated new construction, reported for the first time in December, amounted to $18,962,100, compared with $19,732,500 for Dec., 1940.

Ban On Autos Releases Much Metal For War

With passenger car production lines being brought to a virtual halt, big quantities of vital war materials will now be diverted to military use. Metals, instead of going into Sunday afternoon joy-rides, will go into planes, tanks, shells, ships.

In 1940 Canada produced almost 110,000 passenger cars. Besides half a million now precious rubber tires this output, used up:

Steel, tons	150,000
Copper, pounds	4,800,000
Lead, pounds	3,340,000
Nickel steel, pounds	3,000,000
Zinc, pounds	1,860,000
Chromium, pounds	500,000
Primary aluminum, pounds	110,000
Secondary aluminum, pounds	450,000
Tin, pounds	340,000
Nickel, pounds	150,000
Tungsten, pounds	1,700
Magnesium, pounds	1,400

B. C. Timber Scaled Established Record

Timber scaled in British Columbia for the first eleven months of 1941 amounted to 3,296 million board feet. This represents a gain of 51 million feet over last year's exceptionally high record and is far above preceding years.

Construction Contracts Awarded

	1941 Millions of $	1940 Millions of $	Change	Change %
Residential	92.3	67.6	+24.7	+ 36
Business	100.5	104.5	— 4.0	— 4
Industrial	92.8	121.7	—28.9	— 23
Engineering	108.2	51.9	+56.3	+108
Total	393.9	346.0	+47.9	+ 14
December Totals				
Residential	4.7	4.3	+ 0.4	+ 9
Business	3.8	5.6	— 1.8	— 30
Industrial	8.8	6.1	+ 2.7	+ 44
Engineering	1.8	0.9	+ 0.9	+100
Total	19.1	16.9	+ 2.2	+ 13

J. R. Booth Undertakes Extension of Mill

MONTREAL.—J. R. Booth Ltd., manufacturers of fine paper, newsprint and specialties, has approved plans for a new addition to the mill, costing over $150,000 with equipment. A general contract has been let to the Foundation Co. of Canada, and work will be placed under way at once.

Globe Realty Co. Refunds Bonds

From Our Own Correspondent

MONTREAL.—Globe Realty Corp., wholly-owned subsidiary of the Royal Bank of Canada, redeemed during the past year all of its outstanding 4½% bonds and replaced them with a 3¾% issue. The par value of bonds outstanding remains unchanged at $8 millions.

Finance Companies Hope For Fairly Good Year

New Installment Restrictions Will Have Sharp Effect But 1941 Backlog Will Buoy 1942 Profits

Despite recent restrictions on installment selling, cutting down in production of many household articles and particularly the banning of new car sales, Canadian finance companies are expecting a reasonably good 1942.

New business for these firms, of course, will be light but in 1941 they had a good year which enabled them to build up a substantial accumulation of credit paper. Liquidation of this backlog will greatly help to sustain profits during the current year. If there is no change in the situation in ensuing months, however, it may be expected that a sharp pinch will be felt in 1943 results.

Turnover in used cars is expected to be fairly brisk, at least as long as the supply lasts, and this factor, too, should help to hold up profits for part of the year. Used car financing constitutes approximately 65% of the total volume of business done by one of Canada's largest automobile finance companies.

Small Dealers Going

These firms are expecting a material reduction in the number of car dealers with which they do business. Many used car dealers depend for their supply on overstocked new car dealers. As this condition will no longer prevail, the small operator may have no alternative but to go out of business.

Diversification of the activities of finance companies into other fields appears unlikely. They are geared to one type of business and must share its fortunes and misfortunes. It is generally felt that all the businesses which financing companies can hope to tap have already been covered. Companies in the automobile field will probably make an intensive drive to finance the sale of parts and other equipment. Any expansion in this direction, however, would compensate only to a moderate extent for the loss in automobile business.

To Cut Staffs

As the outstanding accounts are gradually liquidated, so the staffs of the finance companies will be slowly reduced. As this is a comparatively young business, this cut-down will affect generally a younger type of employee. A large percentage of the men employed by finance companies are well under 45 years of age while much of the bookkeeping work is done by girls.

Traders Finance

To the investor the most familiar finance company is Traders Finance Corp., which does a Canada-wide business in financing automobile installment sales, chief source of business being Ford dealers. In 1940 this company reported a net profit of $2.81 a common share as compared with $3.29 in the previous year. The operations of this particular firm are somewhat more diversified than some of the smaller companies through its subsidiary Canadian Insurance Shares Ltd., and in turn its subsidiaries, Toronto General Insurance Co. and Canadian General Insurance Co.

Automotive trade installment selling is characterized by the large degree to which the credit facilities are provided by outside organizations. The dealer, being obliged to pay cash to the manufacturer before delivery of cars to his showroom, is frequently unable to provide extensive credit services for his customers.

There are credit facilities available to assist the dealer in financing his purchases but these consist of short-term paper designed to cover only the time during which the goods are in his possession. To meet this situation, financing corporations discount customers' notes, pay cash to the dealer and then collect installments from the purchaser as they fall due.

At the present time there are 48 companies engaged in the financing of motor vehicle retail sales in Canada. Over 90% of the installment business is carried by the finance companies and less than 10% by the dealers.

The installment plan has played a large part in the development of the automotive trade as rapid increase in auto production and lowering of prices extended the motor market to the middle income groups of the population. The motor car is well adapted to the installment system. It is durable, insurable, and, within the limits generally set for completion of all payments, has a high resale value.

Financing Up in 1941

During the first 11 months of 1941 there were a total of 172,081 new and used motor vehicles financed in Canada for a total value of $80.5 millions. In the same period of 1940 there were 165,822 vehicles financed, these having a value of $69.7 millions.

The level of motor vehicle financing was running well ahead of 1940 until the introduction of restrictions on installment purchasing in Oct., 1941. In that month the total number of vehicles financed dropped 17.8% from the same month of 1940, while in November the drop was 42.3% in number and 48% in value.

Total installment sales amount to approximately 50% of total new vehicle sales in Canada. In 1940 the cars, trucks and buses sold in Canada had a total retail value of $148.8 millions. In the same year the total of installment sales on new and used vehicles was $75.2 millions. In 1939 new vehicle sales were $125.9 millions and new and used motor vehicle installment financing $62.7 millions. Approximately one third of the new vehicle sales in Canada have been made on the installment plan.

SUGGESTIONS FOR INVESTMENT

The personal requirements of the individual in investment matters constitute an important feature of our investment service. This service is available without obligation at any of our offices.

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Investment Securities

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Offices at Toronto, Montreal, Ottawa, Hamilton, London.
Correspondents in New York and London, England.

TO CANADIAN EXPORTERS

WAR-TIME necessity has resulted in many restrictions being placed upon Canadian export trade—notably upon exports of products such as iron and steel, for which the demand for war purposes must be given priority.

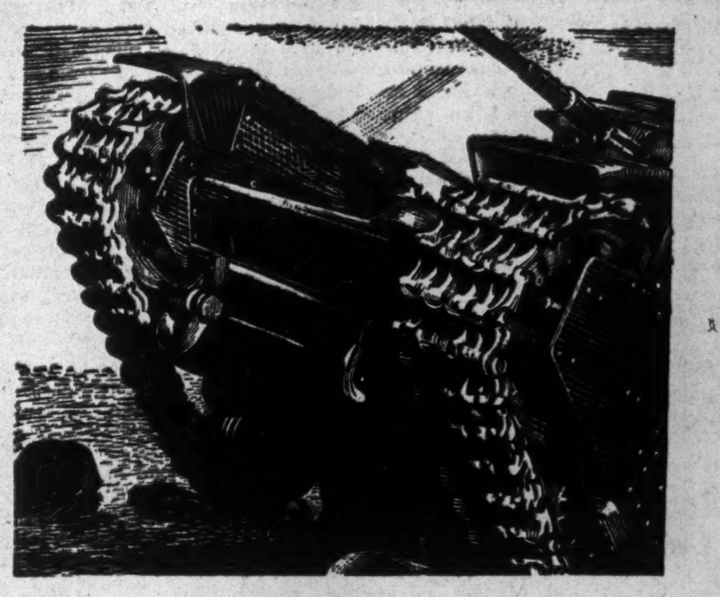
Export shipments to many different markets are subject to these restrictions. The commodities affected comprise an extensive list.

Many of these restrictions are administered by the Department of Trade and Commerce, acting in co-operation with authorities in other Departments of the Dominion Government who are charged with seeing that Canada's war effort is safeguarded in respect to supplies of metals, timber and other essential materials. Canadian exporters are asked to bear in mind that the control or restriction of exports is essential to efficient war-time economy. Its purpose is to ensure the maximum war contribution from the Dominion's industrial and food-producing resources.

Coupled with these control measures, steps have been taken to apply policies which will, to the fullest degree, reconcile the practical need for protecting Canada's permanent interests as an exporting country with the primary objective of maintaining the maximum national war effort.

DEPARTMENT OF
TRADE AND COMMERCE
HON. JAMES A. MacKINNON, M.P. Minister
Ottawa
L. D. WILGRESS Deputy Minister
TC 436

CHEMISTRY HELPS TO WIN THE WAR



You Can't Win a War of Steel
WITHOUT
Sulphuric Acid

NO previous war ever ate up steel at such a rate as this one—with its guns, ships, planes, tanks, mechanical transport. It is a war which simply cannot be won without steel. And this steel is made with the aid of a silent partner—Sulphuric Acid. Its job: to remove "mill scale" formed during forging and annealing, and leave a clean working surface.

In Canada, since the outbreak of war, C-I-L sulphuric acid plants at Hamilton and Copper Cliff, Ontario, have worked overtime to serve the great Canadian wartime production of steel. Thus industrial chemistry is making possible the freighter and its protecting corvette, the mechanical transport and tank, the guns and planes.

Sulphuric Acid is one of many C-I-L Products of Industrial Chemistry which are aiding Canada's war effort.

C-I-L
CANADIAN INDUSTRIES LIMITED
PA 197

London & Lancs Makes Changes

New Winnipeg Manager Named — Western Inspectors Move Up

George F. Burn has been appointed manager of the London & Lancashire Insurance Co. at Winnipeg succeeding F. C. D. Oxenham who has retired at his own request, due to ill-health.

Mr. Burn has been with the London & Lancashire nearly 21 years. His early associations with the Company were at Manchester, England. He came to Canada in 1926 and joined the Vancouver branch. The same year he was made provincial inspector for Alberta, the position he held till his present appointment. He is a graduate of the Chartered Insurance Institute of Great Britain, fire branch, and is an associate of the Insurance Institute of America.

Mr. Oxenham has been with the company for nearly 20 years.

George A. Potter senior inspector of the London & Lancashire in British Columbia succeeds Mr. Burn, as inspector for Alberta. Mr. Potter has been the company's senior inspector in British Columbia since 1928. He is an Associate of the Insurance Institute of America. Mr. Potter will be succeeded as inspector for British Columbia by Godfrey H. Welch who has been junior inspector. He is a native of British Columbia and an Associate of the Insurance Institute of America.

J. E. Rose is Vancouver manager of the London & Lancashire and W. R. Houghton is manager for Canada, with Canadian head office at Toronto. P. L. Waylett is assistant manager for Canada.

The
WAWANESA
Mutual Insurance Company
Organized in 1896

Assets $2,894,436.70
Surplus 1,513,855.65
Dominion Gov't Deposit 1,041,353.86

Write for Financial Statement

Head Office: Wawanesa, Man.
Eastern Office: Toronto, Ont.
Branches at Vancouver, Edmonton, Saskatoon, Winnipeg, Montreal and Moncton

2,000 Agents Across Canada

HOME
ASSURANCE
COMPANY OF CANADA
Head Office:
Lancaster Bldg., Calgary
FIRE, AUTOMOBILE, HEALTH & ACCIDENT INSURANCE
Application for Agencies Invited.

United States
Fidelity & Guaranty
Company
TORONTO

Dominion Appraisal
Company Limited

For dependable Industrial and Real Estate valuations, select a company of unquestioned reputation.
We suggest the services of this organization.
Equipped to carry out work of any magnitude within a reasonable space of time.
Head Office
137 Wellington St. West
TORONTO ELgin 5928
MONTREAL
University Tower Building

The Shield of Protection
THE PORTAGE MUTUAL INSURANCE CO.
MUTUAL SERVICE WITH SECURITY
Since 1884
FIRE and WINDSTORM
INSURANCE
The PORTAGE LA PRAIRIE MUTUAL INSURANCE CO.
PORTAGE LA PRAIRIE, MAN.
WINNIPEG, REGINA, EDMONTON

Life Insurance Contest — Prize Winning Article Problem 4

Programme for the Business Woman

Pension Plan With Insurance Feature Suggested

This is the prize-winning article on problem four of The Financial Post's insurance contest, submitted by Mrs. Isabel L. Webster, of Hamilton.

The individual outlined in the contest announcement for whom a suggested programme was asked was:

"A single business woman, age around 30, now making $100 a month, with prospects of some increases. Has $700-$1,000 saved. Helps maintain widowed mother. Dependent on her own efforts. Her main object is to build up resources on which she can retire."

ISABEL L. WEBSTER

Mrs. Webster was born at Brantford. She graduated from the University of Toronto in 1922 with first-class honors in mathematics and physics. During her course and after graduation she spent some time in the actuarial departments of the Manufacturers Life and the Canada Life and became an associate of the Actuarial Society of America by examination in 1923. Two and a half years ago she joined the sales force of the Mutual Life.

Her husband is overseas. They have a daughter of 16. Her family and her work take most of her attention. Outside activities include a membership in the University Women's Club and several of its study groups."

By ISABEL L. WEBSTER
Mutual Life of Canada at Hamilton

Insurance programme for Mary White, age 30, mother's age 55.

In planning this insurance programme the objective is to work out a financial plan which, through setting aside money now and during earning years, will provide, for you or your mother, money in the future as required.

Points which must be considered:

1. Requirements for a comfortable living in retirement years.
2. Age at which your retirement is likely to commence.
3. Requirements to meet your obligation toward support of your mother, in case of your death.
4. Amount you can set aside now and in the future.
5. Length of time during which this money can be set aside.

In considering points 1 and 2 we must remember that a retired woman of 55 or 60 can, and probably will, live much more cheaply than a business woman of 30. Also, a business woman should plan to retire at 60 (earlier if possible), and should be prepared for lowered earnings from 55 to 60. Naturally we would like to make the requirements mentioned in points 1 and 3 as liberal as possible and yet control points 4 and 5 to such an extent that your present living standard is not too much curtailed. This brings us to a consideration of your budget.

Three Budgets

Listed below you will find 3 budgets planned for an individual earning $100 a month. No. 3 is a sample budget compiled by a financial expert and published in the daily papers in connection with the war savings campaign early in 1941. No. 1 and No. 2 are budgets based on No. 3, but adjusted to allow savings to provide for your retirement and protection needs as outlined above, and also to provide a sum toward the maintenance of your mother—No. 1 if you are living at home, No. 2 if you live away from home.

	No. 1 At home	No. 2 Away from home	No. 3 Sample budget
Income per month ...	$100	$100	$100
1. Savings	4	..	8
2. Insurance	12	10	8
3. Maint. of mother	50	12	..
4. Food		12	14
5. Oper. (incl. room & meals)		32	35
6. Clothing & laundry	14	14	15
7. Social & sundry ...	14	14	15
8. Fed. income tax & nat'l. defense tax...	6*	6*	5‡
Total	$100	$100	$100

*New rate. ‡Old rate.

In budget No. 1, I assume the total of $50 appearing under 3, 4 and 5 will be a reasonable contribution toward the maintenance of your mother as well as providing food and operating expenses for yourself.

In budget No. 2, you will of necessity have to budget more closely, and will not be able to set aside as much for savings. However, the existence of your present savings accumulation of $1,000 justifies, investing in insurance your monthly allowance for savings. Most of this $1,000 savings should be kept fairly accessible in case of an emergency.

Plan For No. 1 Budget

I would suggest that with your $12 a month for insurance, you purchase 2 pension policies, participating in dividends, planning to leave your dividends with the company to accumulate at a guaranteed rate of interest and thus increase your future income :

Policy 1 — To give you $10 a month for life from age 55 on, with insurance of $1,000 or the cash surrender value, if it is larger.

Policy 2—To give you $15 a month for life from age 60 on, with insurance of $1,500 or the cash surrender value, if it is larger.

Your retirement income from 60 on, including dividends, should be in the neighborhood of $35 per month. If your earnings do not decrease at age 55, you may invest during the 5-year period from 55 to 60, the monthly income of $10 plus dividends which you will be receiving, together with the annual premium of $66 which you have been paying for this pension and which you pay no longer. By doing this you will have an additional $1,000 at age 60 with which an annuity may be purchased if desired. If, on the other hand, your earnings should decrease at age 55, you have available a new income of $120 per year and a drop in expenditure of $66 per year which will more than look after your remaining insurance premium of $72.

Salary Increases

As you have prospects of some increases, and as you are allowing a saving of $4 a month besides your insurance, I would suggest that you plan to add another unit providing $10 a month extra income to your pension at 60, just as soon as you feel your accumulated savings or increased salary warrant it. In the case of this addition, as early as possible I would take advantage of the privilege of pre-paying premiums. When all premiums are prepaid, you will have an easily available investment, an increased retirement income, increased insurance, and no future obligation. I should try to add more than one unit in this way. As a rough approximation to what it would cost, supposing you are able to set aside $10 a month extra from age 35 on, in about 10 years you would have paid for another unit. If you could commence earlier, the cost would be less.

In case of your death before receiving any income, the insurance provision of your 2 contracts would provide a monthly life income for your mother of from $12 to $30 approximately, depending on her age at your death. In case your death occurred after your income had commenced, the income would continue to be paid to your mother or other beneficiary until the end of whatever guaranteed period is stated in your contract.

Plan For No. 2 Budget

I would suggest that with your $10 per month for insurance your purchase 2 participating pension plans leaving your dividends with the company as in the plan for Budget No. 1:

Policy 1—To give you $10 a month for life from 55 on, with insurance of $1,000 or the cash surrender value, if it is larger.

Policy 2—To give you $10 a month for life from age 60 on, with insurance of $1,000 or the cash surrender value, if it is larger.

Your retirement income from age 60 on, including dividends, should be close to $30 per month. As in Plan 1, if your earnings do not decrease at age 55, you may invest your monthly pension as well as the yearly premium of $66 you have been paying, to give you an additional $1,000 at age 60. If your earnings should decrease, you have a leeway of $186 per year consisting of increased income and decreased expenditure due to the maturing of your pension at age 55.

As your opportunity for saving is not so great as if you were living at home, it is even more important for you to take advantage of any increase in salary to provide additional units of retirement income.

Should your mother's death remove the necessity for helping with her maintenance, you should at once plan to enlarge your retirement income by purchasing extra units as in Plan 1. In this case, if more favorable terms could be obtained by taking a retirement plan which would not include insurance, I would advise doing so, unless there is some one else whom you would like to protect.

In Case of Marriage

The above discussion assumes that you do not marry. Should you decide to marry, if your husband's income warrants it, you may wish to continue your plan, as your mother would still need protection in case of your death, and a private income at age 60 would be attractive even if your husband were alive at that time. Should you not be able to continue the payments in whole or in part, you could exchange your policies for paid-up policies, which would give you fully paid insurance until the end of the contract, varying in amount with the length of time which you have been paying. In this way your mother would be protected to a certain extent until you were 55 or 60, and there would be a proportionate income available for you at ages 55 and 60, the amounts depending on how long you had made your payments.

Insurance on Husband

Or, if when you marry, your obligation to your mother should no longer exist and the amount of insurance your husband is carrying is not sufficient you may choose to turn some part of your insurance into insurance on your husband's life provided he is insurable. In this case he would obtain a policy which would be dated as at the date of your policy, giving him a contract which has acquired value through having been in force for some time, and which also gives him a saving in cost, as his premium would be that for the age he was when you took out your policy. It would be wise to retain at least $1,000 insurance on yourself to cover necessary expenses at your death. If none of the above suggestions are possible, you may surrender your contracts for the cash surrender values at the date of surrender.

Disability Feature

I would include in the policies suggested above for both budgets, the special feature that would provide that, should you be totally disabled for a period of six months or longer, the company will waive the payment of all premiums during the period of that disability. This would be a guarantee to you that your insurance protection would continue, and the savings for your future would increase, even though you yourself should be disabled so that your earnings cease.

Why a Pension Plan?

You may ask: "Why choose a pension plan in preference to other plans?" The answer is that your greatest need is to build up resources for retirement. The pension plans are the ones in which the savings factor predominates to a greater extent than in any other plan unless it be a fairly short-term endowment. In the case of the short-term endowment, your contract matures the end of the period. which means that should you still require insurance protection and still desire to save systematically for retirement 10, 15 or 20 years from now, as the case may be, you must take out a new contract at a higher rate and be able to pass a medical examination at that time. With a pension plan you have a contract which binds the company until you are age 55 or 60, but gives you the various options suggested above of ending the contract.

Maximum Return

Finally, why follow one of the above plans rather than invest your money in bonds and use your interest as a retirement income? Interest rates are so low now that if you try to live on the interest on your capital, you require much more capital than the ordinary person can save in a lifetime.

In using the plans suggested above, you are getting a larger income than you would from interest on the same investment, and although your capital is being used up to provide this income, you know that as long as you live there will be a monthly cheque—and at the same time your obligations with regard to your mother will be cared for in case of your death as well as if you were here to look after them yourself. In other words, a pension plan provides the maximum of comfort, security and protection for the savings involved.

Insurance Notes

The 49th annual meeting of the Canadian Life Insurance Officers Association will be held at the Seigniory Club, Montebello, Que., May 28 and 29. The annual meetings of the Life Agency Officers Section and the Life Insurance Advertisers Section of the Association will be held the same place May 26 and 27.

* * *

The Ottawa Life Managers' Association has elected officers for the coming year as follows:

J. H. BRUCK, Standard Life Assurance Co., president.
A. de L. PANET, Great-West Life, vice-pres.
H. F. GRAHAME, Crown Life, secretary-treasurer.

Directors

N. O. HAUGH, Metropolitan Life; W. E. N. HODGINS, Continental Life, and AD. POTSER, National Life.

The association has a registered membership of 27 managers and meetings are held regularly each month.

* * *

C. J. Brackley manager of the Toronto Osgoode branch of the Canada Life Assurance Co. has been appointed sales supervisor of the group department at the company's head office, where he will be associated with M. M. Keachie, supervisor of the group department. G. A. Walter, formerly supervisor of field service, has been appointed manager of the Toronto Osgoode branch.

Mr. Brackley joined the Toronto City branch of the Canada Life in 1919 and has been a member of the Quarter Million production club 16 times.

Other changes in the Canada Life service include the appointment of T. H. Gooch formerly assistant superintendent of agencies to be associated with R. G. McDonald as superintendent. A. G. MacKenzie, formerly agency assistant, to be agency supervisor.

In Montreal, John P. Wright, a branch supervisor since 1929, has been named district manager at Montreal. John F. Porteous has been appointed a branch supervisor at Montreal to succeed Mr. Wright.

Fire & Casualty Insurance

Blackouts Increase Insurance Hazards

Fire, Automobile, Burglary and Accident Loss Ratio Likely to Rise if System Becomes General — Rates May Rise

What will be the effect on the fire and casualty insurance business, if Canada adopts a system of frequent and long blackouts?

Some indication of what may be expected has been given in west coast cities, where fairly lengthy blackouts occurred following the entry of Japan into the war. The experience of the United Kingdom also shows what may be expected.

So far, while insurance interests and their legal advisers have been giving some study to the insurance and legal aspects of blackouts in Canada, no definite plans have been made to meet the situation. In many quarters it is felt there is no great change in the situation even since the entry of Japan into the war as the hazard on the Pacific Coast is not considered much different from that on the Atlantic.

Several points have been under consideration and, based on the experience of Great Britain, the following general conclusions appear to have been reached:

1. Blackouts while occurring under government authority are not "enemy action" or "warlike operations" and hence the liability of the insurance company is not affected.
2. The need of blackouts where it exists has placed on the general public a new duty to be careful of their own actions. Any disregard of this new duty consequently may make the ordinary citizen partially liable for any damage he may sustain during a blackout.
3. The responsibility of property owners to avoid all acts of negligence which may result in injury to others is increased.

Four lines of insurance most likely to be affected by blackouts are fire, automobile, burglary and accident.

Limited Experience

So far Canada's experience in blackouts has been limited mainly to tests. But in the case of British Columbia they have been more than that. Accordingly interest in insurance circles has been centred mostly in the Pacific Coast as far as Canadian territory is concerned.

The fire loss there does not seem to have been increased.

Automobile accidents increased sharply in the first blackout, but decreased in the second.

Burglaries, on the other hand, showed a sharp increase each time.

The personal accident frequency evidently showed no great developments.

In the United Kingdom, where general blackouts have been held since the beginning of the war, the trend of accidents, fire and burglaries has become well defined.

In spite of gasoline restrictions the monetary loss entailed in automobile accidents has increased sharply. In the annual report of one British insurance company for 1940, it is stated that the "average cost of motor claims tends to rise. Amounts which would previously have been regarded as fantastic are now not infrequently awarded. Although third party insurance is compulsory for motorists, and it is the fact, therefore, that an insurance company will be expected to discharge the motorist's liability, it should be realized that the motorist ultimately pays and, if the present experience persists, there would seem to be little hope of avoiding an increase in the premiums for this class of business."

Increased Responsibility

A legal decision recently given in England, where a pedestrian was injured, contained a note by the judges that the blackout has imposed on all pedestrians a new duty of keeping in mind the increased difficulties under which motorists have to operate.

In Ontario some discussion has arisen as to the effect of the new war clause to be inserted in automobile policies. These cancelled the liability of the insurance company under the fire and theft clauses of an automobile policy when the damage is due to some warlike operation. As the blackout is not a warlike operation, it would not cancel the company's liability.

Application of the clause in the standard automobile policy which requires the owner to state the purposes for which his car is to be used has also been the subject of discussion. If the owner states his car will be used for business and pleasure and then uses it on duty as an ARP warden and meets with an accident in a blackout, would the insurance company be liable? Some authorities say yes. Others say the point is debatable.

Fires in the United Kingdom under the blackouts have shown a substantial increase, especially in private houses. It is believed the same thing would happen here. Among reasons for increased number of fires in a blackout are:

1. People at such times are not moving about the premises as usual and may not notice a fire until it is well under way.
2. Owing to doors and windows being blanketed, it is difficult to see a fire from the outside.

Trend of Burglaries

It is possibly in burglaries, however, the greatest increase may be seen.

The blackout, like a fog, gives good cover to the burglar and increases his opportunities. At such times many houses are left untenanted and possibly unlocked, but are not emptied of their contents. People in the house are apt to stay in one section, leaving the others unguarded.

Apart from the greater opportunities is the fact that so many commodities in Britain are scarce. Goods useful for both war and non-war purposes are scarce. The war demand for these greatly exceeds the supply. In addition, on the black markets, all such classes of goods can be sold at high prices usually with no questions asked. This is an added incentive to the burglar.

Somewhat the same conditions are becoming noticeable in Canada, even without the blackouts. For instance, insurance companies say there has recently been an epidemic of tire thefts, spare tires, old tires in the garage and even good tires on cars parked in isolated places are liable to be stolen.

Accident insurance has not suffered any serious losses from blackouts yet. But it is felt it possibly may do so in coming months. The liability of insurance companies and, similarly, the liability of the individual property owner, may be increased by the greater hazards. The law of negligence may be called into greater operation, however, as just as in the British case referred to above, the existence of a blackout by legal authority imposes greater responsibility on property owner and individual alike to take due precautions.

Rates May Rise

Insurance companies interviewed by The Financial Post, generally took the ground that while blackouts would increase the hazards they would not reduce the liability of insurance companies in any way. Accordingly they indicated that if experience should show a rising trend of losses it would be necessary to raise rates.

The ordinary citizen, however, can help prevent this, they declared, by taking such precautions during the blackout as keeping his car in the garage, keeping doors locked against thieves and increasing watchfulness against fires and greater care in all movements in the dark.

NOTICE

NOTICE is hereby given that the Dominion Insurance Department has granted Certificates of Registry Nos. C-774 to C-778 both inclusive authorizing New York Reciprocal Underwriters, Individual Underwriters, American Exchange Underwriters, Affiliated Underwriters and Metropolitan Inter-Insurers to transact in Canada the business of Inland Transportation Insurance, in addition to the classes for which they are now already registered.

V. W. GERRISH,
Chief Agent for Canada.
December 16, 1941.

Not the Biggest - But the Best

For Friendly Interested Up-to-Date Service and Co-operation in FIRE and CASUALTY INSURANCE

SEE THE REPRESENTATIVE OF

The CANADIAN FIRE INSURANCE COMPANY
The CANADIAN INDEMNITY COMPANY

"It's a Winner!"

SECRETARIES tell us the L C SMITH office typewriter is faster, more accurate and efficient . . . easier to operate. This means, of course, less chances for errors and less fatigue at the end of the day.

Just phone any L C SMITH branch or dealer today for free demonstration in your own office. Try out the new Automatic Margin Set, Improved Tabulator, Floating Shift and other features that make it the secretary's "favorite typewriter."

L C SMITH Office Typewriters and CORONA Portable Typewriters are made in Canada by L C Smith & Corona Typewriters of Canada Ltd., Toronto.

Super-Speed L C SMITH
. . . brings new freedom to secretaries

New Licenses

The Dominion Department of Insurance has licensed the following companies to write the classes of insurance indicated:

The British Aviation Insurance Co.—Aircraft, falling aircraft and personal accident. James Matson, Montreal, has been appointed Canadian chief agent.

Caledonia-American Insurance Co.—Personal property insurance in addition to the classes for which it is already registered.

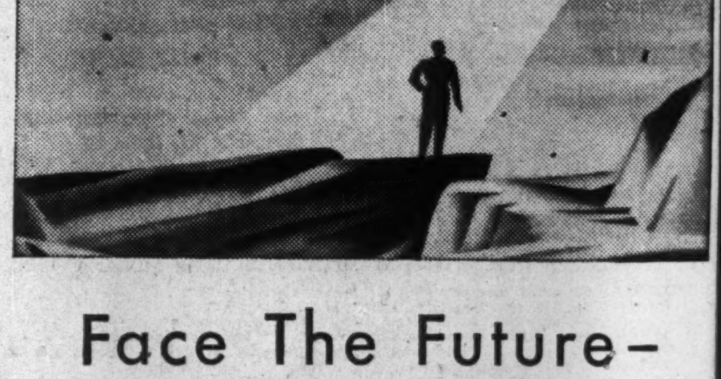
Affiliated Underwriters — Fire automobile, excluding insurance against loss by bodily injury to the person, falling aircraft, limited explosion, inland transportation, sprinkler leakage, windstorm and in addition civil commotion insurance, hail, and impact by vehicles on property which is also insured under a fire insurance policy of the exchange.

American Exchange Underwriters—Fire, inland transportation, sprink[illegible]kage, and falling aircraft, hail, li[illegible]sion, civil commotion, windstorm [illegible] by vehicles, on property insure[illegible] insurance policy of the exchange.

Individual Underwriters — Fire, limited explosion, falling aircraft, inland transportation, sprinkler leakage, windstorm, and hail, civil commotion and impact by vehicles on property insured under a fire insurance policy of the exchange.

Metropolitan Inter-Insurers — Fire, limited explosion, falling aircraft, inland transportation, sprinkler leakage, windstorm, and civil commotion, hail and impact by vehicle insurance on property which is also insured under a fire insurance policy of the exchange.

Automobile and General Casualty Insurance
AGENCY INQUIRIES INVITED
LUMBERMENS MUTUAL Casualty Company
VANCE C SMITH, Chief Agent
CONCOURSE BUILDING
TORONTO
SERVICE SAVING SECURITY
Fire and Allied Lines Written in Associated Companies



Face The Future—
FEARLESSLY

The fear of coming events shakes one's confidence. Executive planning, selling, and credit granting are slowed down by fears of credit losses under today's abnormal world conditions.

Such fears are unjustified. In peace or war, boom or panic, business has facilities for up-to-date credit information—plus protection on customers.

Sell fearlessly to the deserving—and safeguard your Accounts Receivable with Credit Insurance.

With this complete protection you need not worry about your customers after the goods are shipped.

Reimbursements for credit losses and liquidation of delinquencies keep your working capital free and unimpaired.

Investigate Credit Insurance today. Telephone or write our nearest branch office and a representative will be glad to call.

Credit Insurance
is tailored to fit the needs of your business. It guarantees payment of Accounts Receivable . . . guarantees reimbursement for losses caused by insolvency of customers. Either your customers pay you . . . or we pay you.
★
CANADIAN DIVISION

J. F. MacFadden, President
FIRST NATIONAL BANK BUILDING,
BALTIMORE, MARYLAND

AMERICAN CREDIT INDEMNITY COMPANY OF NEW YORK
"Guarantees Payment of Your Accounts Receivable"
OFFICES IN TORONTO, MONTREAL AND SHERBROOKE

TOTAL WAR NOW!

The Parliament of Canada meets on January 21st. The most momentous session in Canadian history begins in nine short days. It is your Parliament. The members are the servants of the people, not of any party. They represent every one in the constituency which elected them. Each one of them needs your help as never before. Assert your democratic right to govern. Tell your member what you think should be done and do so without delay.

There is one issue which overshadows all others. The Prime Minister of Canada has told us what that issue is. These are his own words: *"There is only one way to meet total war, and that is by total effort."* — *"We must maintain the Canadian army at full fighting strength."* The Leader of British democracy told the people of Canada what total effort means. These were Winston Churchill's words: *"In this strange, terrible world war there is a place for every one, man and woman, old and young, hale and halt. Service in a thousand forms is open. There is no room for the dilettante, for the weakling, for the shirker or the sluggard. The mine, the factory, the dockyard, the salt sea waves, the fields to till, the home, the hospital, the chair of the scientist, the pulpit of the preacher—from the highest to the humblest, the tasks are all of equal honor. All have their part to play."*

To fulfil that description of total effort is the first and foremost duty of the Parliament of Canada. The people of Canada must be told what part they are to play. They cannot guess. Every man and woman, strong or weak, old or young, must be guided by the Government to the post where they can contribute most to victory. We are conscious of the substantial efforts made throughout the war by the Canadian Government. We are anxious to assist them in making the vital decisions forced upon them by the events of the past few weeks. We do not believe that the people of Canada consider that their Government or its leader are in any way bound by undertakings given before the United States entered the war. This is no time for a referendum. The responsibility rests squarely on Parliament. The war will not wait.

There is only one way to meet total war—by total effort—that is to mobilize all our manpower and material resources under a plan of universal compulsory selective service. Those who can serve best on the farms must work on the farms. Those who can serve best in the factories must work in the factories. And those best fitted to serve in the armed forces must be trained, equipped, and available for service in Canada or overseas anywhere at any time. That is the only way that our farms, our factories and our armed forces can wage total war. **No half measures are consistent with national honor.**

If you agree with that opinion then it is your duty to tell your member NOW that you want him to insist upon the immediate adoption of such a plan. Tell him that you want the business of government brought into Parliament where it belongs. Tell him to inform Parliament, and through Parliament the whole of Canada, that the people of his riding advocate and will support any measures, however drastic, which will assure the last ounce of effort of which they are capable. To Canada's Parliament, which will meet in nine days, Mr. Winston Churchill said this: *"The enemy has asked for total war. Let us be sure that he gets it."* Tell your member in the short time which still remains that you want to be sure that we do wage total war and that ycu want him to say so in your behalf on the floor of Parliament.

There is an added reason why you must act immediately if you believe that democracy is government by the people. Last Tuesday, President Roosevelt told one hundred and thirty million people of the United States where their armed forces are going to fight in this war. *"As our power and our resources are fully mobilized, we shall carry the attack against the enemy—we shall hit him and hit him again, wherever and whenever we can reach him."* We are partners with the United States in this struggle. We signed a pact binding us to a common effort. National honor and the safety of our people demand that every man who wears the uniform of Canada be ready at all times to go overseas to hit the enemy wherever and whenever he can be reached. What a shameful travesty of justice it would be if we approved of unity of military command and failed to establish unity of sacrifice between nations. Canada's honor is at stake.

The Committee for Total War urges you to act without delay. Send your member a telegram, a letter, or a postcard at once. This is your most important task. Your member represents you no matter what your party may be. He is your voice in Parliament. When you put down this newspaper, act at once. If you agree with the opinion supported by this Committee, say so.

COMMITTEE FOR TOTAL WAR

O. R. Alyea, Trenton, Ont.
Miss Joan Arnoldi, Toronto, Ont.
F. K. Ashbaugh, Tillsonburg, Ont.
A. Baggs, Concord, Ont.
Col E. A. Baker, Toronto, Ont.
Dr H. W. Baker, Woodstock, Ont.
Robert Barber, Preston, Ont.
John Barker, Toronto, Ont.
A. F. Bastedo, Bracebridge, Ont.
James Baxter, Toronto, Ont.
Mowat Beattie, Sutton, Ont.
Mrs. Fred Bell, St. Thomas, Ont.
E. W Bickie, Toronto, Ont.
F C. Biggs, Dundas, Ont.
Dr Grant Bird, Oshawa, Ont.
Col. Arthur L. Bishop, Toronto, Ont
Dr. William Boyd, Toronto, Ont.
Dr. G. F. Boyer, Toronto, Ont.
W. E. Breckon, Burlington, Ont.
Everett Bristol, Toronto, Ont.
Duncan Bull, Brampton, Ont.
Mrs. Erle Burgess, St. Thomas, Ont
J. G. Burt, Listowel, Ont.
C. L. Burton, Toronto, Ont.
Mrs. Herbert Bruce, Toronto, Ont.
Dr. G. Stewart Cameron, Peterboro'.
Wallace Campbell, Windsor, Ont.
Mrs. Wallace Campbell, Windsor.
Dr. W. J. Chapman, St. Catharines
Mrs. W. F. Charteris, Chatham, Ont
W. A. Cockshutt, Smiths Falls, Ont
Dr. H J. Cody, Toronto, Ont.
John Cowan, Sarnia, Ont.
J. H. Cranston, Midland, Ont.
Dr. J. L. Crowe, North Bay, Ont.
John Curtis, Toronto, Ont.
Edward Davies, Wallaceburg, Ont.
Aubrey Davis, Newmarket, Ont.
Elmer Davis, Kingston, Ont.
K. E. Deacon, Unionville, Ont.
T. R. Dent, Woodstock, Ont.
Mrs. J. Detwiler, London, Ont.
D. T. Diplock, Peterboro'. Ont.
R. L. Dobbin, Peterboro', Ont.
William A. Dryden, Brooklin, Ont
W. R. Drynan, Hamilton, Ont.
Ernest Duckworth, St. Thomas, Ont
James S. Duncan, Toronto, Ont.
Chas. Dungey, Toronto, Ont.
Mrs. A. W. Ellis, Toronto, Ont.
R. D. Ferguson, Port Stanley, Ont
Wm. Flavelle, Lindsay, Ont.
Dr. W. E. Gallie, Toronto, Ont.
P. R. Gardiner, Toronto, Ont.
J. Gill Gardner, Brockville, Ont.
Joseph G. Gibson, Toronto, Ont.
D. Gilbertson, Simcoe, Ont.
Harrison Gilmour, Toronto, Ont.
Dr. Roscoe Graham, Toronto, Ont
F. W. Grant, Midland, Ont.
Dr. J. C. B. Grant, Toronto, Ont
Mrs. William J. Green, St. Thomas.
Mrs. Harry Griffith, St. Catharines.
Hugh Guthrie, Guelph, Ont.
J. H. Gundy, Toronto, Ont.
C. H. Hale, Orillia, Ont
Mrs. Irving Hall, Toronto, Ont.
Dr. F. W. Hall, Chatham, Ont.
G. Hancock, Galt, Ont.
C. R. Harrison, North Bay, Ont.
Dr. C. A. Harvie, Orillia, Ont.
T. L. Hay, Woodstock, Ont.
Mrs. W. B. Horkins, Toronto, Ont.
Dr. H. O. Howitt, Guelph, Ont.
E. J. Hosack, Woodstock, Ont.
Chris. Hughes, Peterboro, Ont.
Mrs. Anna L. Hynes, Toronto, Ont.
Gordon Ingram, London, Ont.
R. G. Ivey, London, Ont.
Geo. W. James, Bowmanville, Ont.
G. Elmer Johnston, Brockville, Ont
H. F. Johnston, Tillsonburg, Ont.
J. L. King, Galt, Ont.
Ford S. Kumpf, Waterloo, Ont.
Dr. H M. Lackner, Kitchener, Ont.
Mrs. Gertrude D. Lang, Galt, Ont.
Louis Lang, Kitchener, Ont.
W. B. Laughlen, Toronto, Ont.
Dr. Smirle Lawson, Toronto, Ont
Geo. W. Lee, North Bay, Ont.
N. L. Lesueur, Sarnia, Ont.
T. H. Lewis, Welland, Ont.
Mrs. Mary Lloyd, Cobourg, Ont.
H. E. Longworth, Woodstock, Ont.
Mrs. Lynch-Staunton, Hamilton, Ont
D. C. MacLachlan, Toronto, Ont.
Hayden Macdonald, Oshawa, Ont.
F. G. Mackay, Owen Sound, Ont.
D. F. MacLaren, Barrie, Ont.
Sir Ernest MacMillan, Toronto, Ont
J. M. Malcolm, Nobel, Parry Sound.
W. R. Marshall, Ingersoll, Ont.
Gordon Matthews, Peterboro, Ont.
Mrs. R. C. Matthews, Toronto, Ont
D. L. McCarthy, Toronto, Ont.
J. J. E. McCague, Alliston, Ont.
George McCullagh, Toronto, Ont.
Hugh L. McCulloch, Galt, Ont.
R. O. McCulloch, Galt, Ont.
John F. McDonald, Woodstock, Ont
L. M. McDonald, Port Colborne, Ont
R. P. McDonald, Toronto, Ont.
Mrs. Clara F. McEachren, Toronto.
Dr. A. J. McGanity, Kitchener, Ont
Dr. James H. McGarry, Niagara Falls, Ont.
T. D'Arcy McGee, Ottawa, Ont.
C. H. McKimm, Smiths Falls, Ont
J. A. McNevin, Chatham, Ont.
J. Ivan McSloy, St. Catharines, Ont
S. E. McTavish, Oshawa, Ont.
Mrs. M. L. McWhinney, Toronto.
Major-Gen. the Hon. S. C. Mewburn Hamilton, Ont.
Mrs. Maud Millar, Hamilton, Ont.
W. S. Middlebro, Owen Sound, Ont
Mrs. Lionel Millen, Burlington, Ont
G. M. Miller, Sudbury, Ont.
George A. Moore, Toronto, Ont.
S. A. Morse, Chatham, Ont.
James Y. Murdoch, Toronto, Ont.
Paul Myler, Hamilton, Ont.
N. L. Nathanson, Toronto, Ont.
Mrs. Ryland New, Oakville, Ont.
H. D. R. Newby, Toronto, Ont.
Fred K. Morrow, Toronto, Ont.
Dr. John A. Oille, Toronto, Ont.
Commissioner Ormes, Toronto.
Rev. Stuart C. Parker, D.D., Toronto
Dr. John R. Parry, Hamilton, Ont.
G. L. Parsons, Goderich, Ont.
J. K. Perrett, Simcoe, Ont.
Gordon F. Perry, Toronto, Ont.
Colonel Eric Phillips, Oshawa, Ont
W. B. Preston, Brantford, Ont.
Dr. G. A. Ramsay, London, Ont.
John Collingwood Reade, Toronto
Robert H. Reid, London, Ont.
E. K. Reiner, Wellesley, Ont.
Rt. Rev. R. J. Renison, Toronto, Ont
Harmon E. Rice, Huntsville, Ont.
Dr. D. E. Robertson, Toronto, Ont
Dr. C. C. Ross, London, Ont.
J. Allan Ross, Toronto, Ont.
W. J. Russell, Unionville, Ont.
W. H. C. Ruthven, Alliston, Ont.
Sigmund Samuel, Toronto, Ont.
Dr. T. M. Savage, Guelph, Ont.
C. Scott, Toronto, Ont.
Charles H. Sclater, Hamilton, Ont
Wm. H. Sears,, Toronto, Ont.
Mrs. Ernest Seitz, Toronto, Ont.
Mrs. Louis Shannon, London, Ont.
J. R. Shaw, Woodstock, Ont.
Mrs. Ann Shipley, Kirkland Lake.
Harvey Simpson, Chatham, Ont.
Dr. Tom Simpson, Collingwood.
Dr. C. W. Slemon, Bowmanville.
Dr. D. Smith, Stratford, Ont.
Dr. J. M. Smith, Beaverton, Ont.
V. R. Smith, Toronto, Ont.
W. H. Somerville, Waterloo, Ont.
Percy Spackman, St. Thomas, Ont.
L. B. Spencer, Welland, Ont.
J. L. Stansell, Tillsonburg, Ont.
Dr. John H. Stead, Oakville, Ont.
Dr. J. M. Stevens, Woodstock, Ont.
Miss Mabel Stoakley, Toronto, Ont.
Dr. G. H. Stobie, Belleville, Ont.
C. O. Tatham, Woodstock, Ont.
Dr. H. M. Torrington, Sudbury, Ont.
John A. Tory, Toronto, Ont.
B. A. Trestrail, Toronto, Ont.
W. O. Tudhope, Orillia, Ont.
Norman C. Urquhart, Toronto, Ont.
James A. Vance, Woodstock, Ont.
O. D. Vaughan, Toronto, Ont.
Morley F. Verity, Brantford, Ont.
J. H. C. Waite, Brampton, Ont.
Harris L. Walsh, St. Catharines, Ont.
T. C. Wardley, Elora, Ont.
Mrs. H. D. Warren, Toronto.
Donald M. Waterous, Brantford, Ont.
Walker Whiteside, Windsor.
Dr. A. B. Whytock, Niagara Falls.
G. W. Wigle, Hamilton, Ont.
L. F. Winchell, Toronto, Ont.
Dr. H. M. Yelland, Peterboro', Ont.
Alan V. Young, Hamilton, Ont.
Clark Young, Unionville, Ont.

SPACE DOES NOT PERMIT THE PUBLICATION OF THE NAMES OF MANY OTHERS WHO ENDORSE THIS STATEMENT.

Those whose names appear above include mothers and fathers of soldiers, sailors and airmen; farmers, workers in the factories, business and professional men and women of Ontario, who have taken this preliminary step to convey to their fellow citizens the course they think should be followed in respect to this emergency.

HELP YOUR MEMBER TO HELP CANADA WIN THE WAR—ACT NOW!

IF YOU AGREE—TEAR OUT THIS ADVERTISEMENT—SIGN IT AND MAIL IT TODAY TO YOUR MEMBER.

Patronize
FORD HOTELS
for COMFORT and THRIFT!
FORD HOTEL MONTREAL
RATES: Single $1.50 to $2.50 NO HIGHER
FORD HOTEL TORONTO
and in OTTAWA ➡ The LORD ELGIN
RATES Single $2.50 to $3.50 NO HIGHER

GOOD NEWS
To Bermuda via New York is now an approved pleasure travel route for Canadians. By mutual agreement between the Canadian and Bermuda Foreign Exchange Control Boards necessary funds are now available for travelling by ship or plane.

BELMONT MANOR
BEACH & GOLF CLUB
BERMUDA
Open all the year. Superb golf on the Belmont's famous course, surf-bathing at our own private Beach Club, with its coral-pink-and-white sand beach . . . smart rendezvous for sun tanning, luncheons, dinners, teas! You'll meet people you'll like. Unrivalled cuisine, courteous service. Canadian dollar at full value.
Ask your Travel Agent, or L. G. GIRVAN, 67 Yonge St., Toronto, 'Phone WA. 7552

Laurentians Continent's Winter Playground

Winter Sports Big Business Though Affected by War

Once, for many parts of Canada, winter meant virtual hibernation, no visitors, no entertainment other than the anticipation of spring and the return of summer vacationers. Today that thick mantle of silent snow far from inducing sleep brings in its wake new life—winter sports.

The great growth of interest in winter sports, particularly skiing, has meant for hotels and resorts practically a year-round business where formerly they stayed open for perhaps four or five months. For transportation companies it has meant a business sufficiently lucrative to justify special services. To supply Canada's 125,000-odd skiers there must be a great quantity of skis, poles, boots, clothing and other equipment.

Hit by War

Like practically every other facet of Canadian life, skiing, which has had a tremendous upswing in popularity in the last decade, has been affected by the war. It is a little too early yet to estimate how skiing this year will stand up against last season but so far this winter, American traffic into the Laurentians, Canada's most popular skiing area, is down from last year. Last season C.P.R. ski trains carried 128,000 Canadian and American skiers into the Laurentians as compared with 140,000 in the 1939-40 banner year.

In regard to the American trade, it has been necessary to cancel the special long week end excursions to the Laurentians from south of the border because of the heavy wartime demands on our railway facilities. Americans who are in a hurry to get their skiing can use the Canadan Colonial Airways Service to Montreal. Specially added this year are limousines which meet the skiers at St. Hubert airport and take them northward through a magnificent series of ski resorts to Mont Tremblant.

Meets Cancelled

The departure of many Canadian skiers for the armed services this year will mean cutting out several peacetime meets and competitions. Chances are that this will lead to increased interest in interscholastic events and competitions among ski-minded youngsters.

The value of ski troops in military campaigns has already been demonstrated and army instructors have emphasized that ski clubs can do a valuable wartime service in encouraging more cross-country running. There is already evident in many parts of Canada an urge to promote more cross-country races and maintain a type of skiing that will be of value in actual military operations.

Either in exuberant groups or in solitary splendor, skiing enthusiasts find their full measure of satisfaction. Skiers like the above are tracing in the sparkling snow of Canada's innumerable hills a vigorous story of a growingly popular sport.

Skiing in Canada lasts from December to March. It has revived former winter-dormant communities, meant new revenue to transportation and sports equipment companies, brought the thrill of winged feet to thousands

Many new ski fans have been developed by the war and after present hostilities, enthusiasm for the sport will be carried to parts of the globe that rarely see snow. Hundreds of Australians, New Zealanders and Britons, stationed in military quarters at Calgary enjoyed their first taste of skiing last season on the slopes of Mount Norquay, a few miles west of Calgary.

Laurentians Popular

Most popular skiing area in all Canada is the vacationland of the Laurentian Mountains beginning at Shawbridge about 40 miles north of Montreal. Covering more than 2,500 square miles, this great ski zone blends farmland, forest and lakes, providing sufficiently cleared land to make open slopes numerous, while the forests have been threaded by mile after mile of marked trails.

To serve some 60 ski centres in the Laurentians, the C.P.R. alone runs about a dozen week end trains hauling as many as 15 coaches specially equipped to carry skis, equipment and hundreds of exuberant folks bursting with a desire to get out on the nearest hill, holler "ski heil," and let go.

There are scores of fine ski resorts. The Alpine Inn, Chantecler and Gray Rocks to mention only a few names full of reminiscence for skiers. Most lavish ski enterprise is far-famed Mont Tremblant. Joseph B. Ryan of Philadelphia spent close to $1 million giving this resort the luxurious touch.

Soaring 3,200 feet into northwestern Laurentian skies Mont Tremblant boasts the finest downhill and slalom runs in eastern Canada, an elaborate chair lift and "J"-tow, while its lower reaches are colored with a picturesque alpine village with little bungalows and chalets clustered around a modern hotel. Newly completed, this centre's 3,500-ft. "T" tow brings the roof of the Laurentians within easy reach of any devotee.

Famous is the championship Kandahar run at Mont Tremblant. This thrilling downward course measures 1.87 miles in length with a vertical drop of 2,045 ft. and is the site of an annual racing classic. The two-mile long Taschereau run is another popular exit from Mont Tremblant's upper story, while the famous "Flying Mile" is also a prominent feature of the layout.

Lac Beauport Improves

Started as a skiing centre only about five years ago the Lac Beauport section, 10 miles north of Quebec City, has vastly increased in popularity. Accessible by bus from the old French-Canadian capital, the Lac Beauport snowbowl is centred around the slopes of Mont St. Castin and Mont Tourbillon. The neighboring peaks, comprising the eastern end of the Laurentian chain, catch a lion's share of the winter's snowfall, depths here frequently attaining the four or five-foot mark.

Of much importance to the Beauport development is its proximity to the Chateau-Frontenac, headquarters for many visitors from eastern Canada and the U. S.

Other Areas

Though the Laurentians of Montreal and the Lac Beauport section are responsible for most of Quebec's ski patronage, other sections have come rapidly into prominence. These include the rolling eastern Townships in Quebec's southeast, the Seigniory Club hills at Montebello, St. Gabriel de Brandon, Grandes Piles and the scenic Gatineau district north of Ottawa.

The Eastern Townships have shown a particular upswing in skiing popularity. The Sutton-Abercorn district, some 85 miles from Montreal, provides abundant and high-quality snow and is the centre of the heaviest ski action in the townships zone. The slopes of 2,600-ft. Mount Sutton now provide some of eastern Quebec's finest ski runs with one of its major downhill runs second only to the Kandahar course at Mont Tremblant.

West of Montreal on the north shore line to Ottawa rise the hills of Montebello, where a sizeable ski population converges at the Seigniory Club.

Visitors to Quebec's many ski resorts find a wide variety of accommodation available. Stopping places range from the most elaborate hotels with service equal to that in the city to more humble hostels. Prices run from $2.50 to $9 a day. Hotels, for the most part, are located at the cross-roads of the best known ski trails. Many have their own ski-tows, instructors, station wagons or sleighs. Others add more frills with gleaming ice palaces, solariums and other novel attractions.

The religious side of a skiing week end is also far from neglected. Church services are held at practically every ski centre while special masses and Protestant services are held for the skier's benefit at 15 Laurentian churches throughout the winter.

Skiing in Ontario

Ontario too has many popular skiing centres, most of them fairly close to the more heavily populated sections of Toronto and Hamilton. Summit, Caledon, Collingwood are all areas which get a big play from the ski fans but very popular are the hills at Dagmar, 33 miles north of Toronto. Almost as popular is the Bethany layout, about 60 miles from Toronto, located in what skiers call the "Laurentians of Ontario." This centre has been adding to its skiing facilities in an important way.

Farther west in Ontario there are admirable skiing locations and very much alive skiing organizations around Fort William and Kenora. Both of these districts are developing some fine ski trails and runs.

Western Activity

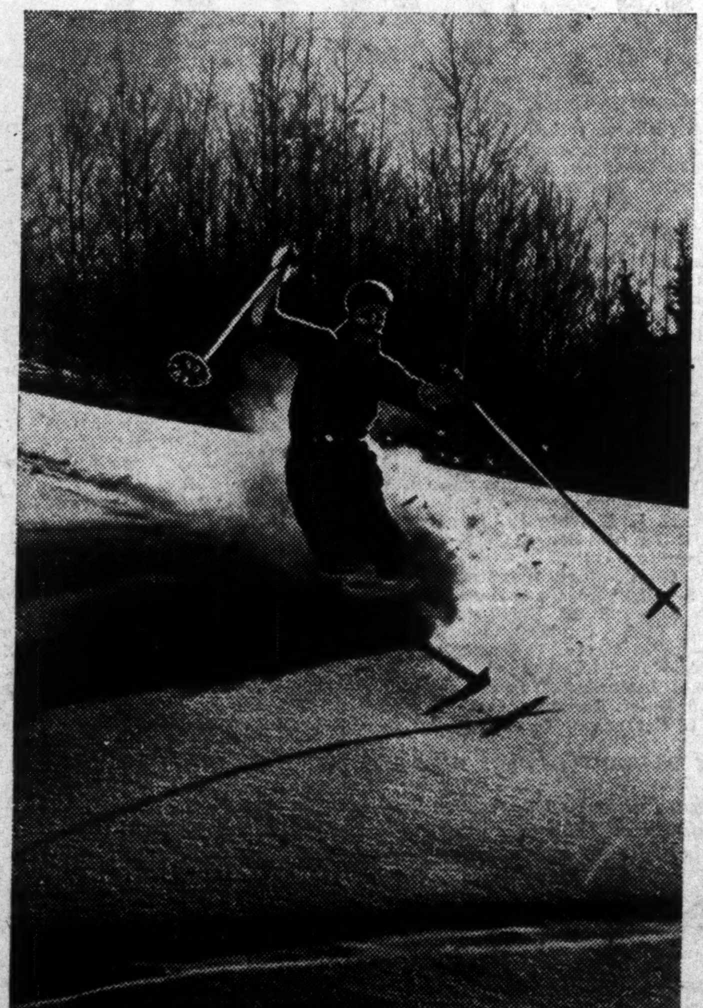
Surprising to some is the extent of skiing activities on the Prairies. Fact is the prairie snows have been sprouting trails since 1911 with particularly marked development in the last five years. Rolling hills make for some splendid downhill runs, slalom courses and jumps. Ski capital of the Prairies is La Riviere, 112 miles southwest of Winnipeg. This location was the scene of last year's Manitoba Jumping Championships and other competitive events.

The Rockies, of course, offer magnificent skiing with conditions, particularly around Banff and Lake Louise, on a par with anything to be had in the Swiss Alps. Runs that meet the requirements of the most expert are available here in profusion.

The more moderate climate of the Pacific coast does not stop ski enthusiasts there from enjoying their favorite sport. Most popular ski zones within easy reach of downtown Vancouver lie across Burrard Inlet on the upper slopes of Grouse Mountain and Hollyburn Ridge, both of which have well-patronized ski clubs and plenty of fine hills.

Now Big Business

So from coast to coast the tempo of ski activity holds at a high rate despite the inroads of war. Development of the sport has brought snow up to the rank of one of Canada's most valuable natural resources. Stimulating to sports equipment houses this uptrend in skiing popularity has been a virtual godsend to many communities which now find themselves able to spend large sums on ski development; an investment which is returning large dividends. The health promoting aspect of this vigorous outdoor sport is also one that should not be overlooked in these days when general welfare forms an important part of the war effort.



From coast to coast scenes like this are common throughout the Canadian winter. Canada's Laurentians are now world famous among skiers, both for snow conditions and for the excellence of accommodation, cuisine and entertainment in the many resorts.

Laurentians Offer Many Tows To Ease Skiers' Climbs

Many ski tows and lifts are operating in the Laurentians this season. These range from the common type of rope cable tow to the chair lift on Mont Tremblant's lower slope—and include one of the "J" and two of the "T-bar" variety.

Rates vary according to character of the service provided. In addition to serving hills on which they are located, several lift the skier to summits from which many trails radiate. The following tabulation summarizes some of the ski tow facilities available.

Station	Location	Length Feet	Lift Feet	Station
SHAWBRIDGE	Big Hill	2,500	800	1 mile
PIEDMONT	Piedmont Country Lodge	1,800	150	¾ mile
	Win-Sum Inn	1,000	200	½ mile
	The Marquise (sleigh tow)	1,000	380	1¼ mile
	Barn Hill	1,600	600	1 mile
ST. SAUVEUR (via Piedmont)	Hill 69	1,000	350	1½ mile
	Hill 70	1,700	425	1½ mile
	Hill 71	1,750	700	1¾ mile
	Hill 72	1,500	300	1¾ mile
	*Marquis Hill	2,100	450	2 miles
MONT ROLLAND (Ste. Adèle)	Cross Hill	1,500	500	½ mile
	Cross Hill	800	300	½ mile
	Hill 40	1,600	650	1¼ mile
	Hill 80	1,400	700	1¼ mile
STE. MARGUERITE	Hill 60	2,100	400	1 mile
	Alpine Hill	1,300	300	½ mile
	*Chalet Cochand	1,700	600	1½ mile
(Lac Masson)	Esterel Hotel Hill	425	170	5 miles
	Oak Tree Hill	650	190	5 miles
VAL MORIN	Mount Bowles	700	400	1½ mile
	Mont Sauvage	1,800	300	1 mile
	Mount Gilbert	1,000	150	1¼ mile
VAL DAVID	Mont St. Aubin	1,800	300	1 mile
STE. AGATHE	Little Alp	400	100	½ mile
	Hillcrest Farm	690	200	1 mile
	Hill 100	2,000	950	1½ mile
	Hill 100	950	200	1½ mile
	St. Aubin Hill	1,100	575	¼ mile
ST. JOVITE	Sugar Peak Hill	850	300	2½ miles
	Village Hill	1,000	175	1 mile
MONT TREMBLANT	†Mont Tremblant	4,300	1,300	3 miles
	‡Mont Tremblant	3,600	900	3 miles

*Individual seat bar tow.
†Aerial chair lift from floor of valley to point half way up mountain.
‡T-bar tow to top of mountain.

Canada's High Quality Snow Boosts Skiing Popularity

In the last decade the phenomenal growth of skiing in Canada has pushed snow-shoeing, tobogganing, bob-sledding, and to some extent even skating, into the background. Canada's topographical features, of course, play a large part in enlargement of our ski picture.

Just as important to the skier as the quantity of snow which blankets Canadian hillsides is the quality of the snow.

The ideal ski surface is several inches of dry powder snow, resting on firmly-packed snow bases of three to four feet. This combined with champagne air, brilliant sunshine, no wind, and the mercury hovering around the 20-above mark, spells perfection for pushers of the polished hickory.

Exceptional snow greets the Laurentian skier practically throughout the winter season, ranging from fine powder in late December and January to sparkling sugar snow in March and early April. Snow fall averages well over 100 inches each winter.

Winter in the Laurentians is winter in all its moods but is not severe to a point where it inflicts any hardship on skiers. The mercury frequently drops below the zero mark but the high altitude gives a cold-dry atmosphere.

During the latter part of the season brilliant sunshine is the rule and thousands of ski addicts take their vacations during March and early April in order to enjoy "sun tan" spring skiing.

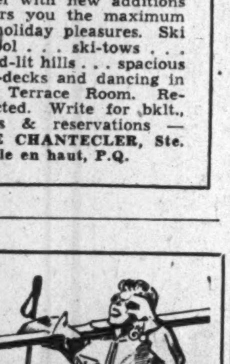
Ski Contests Now Well Started

Skiing competitions are now well under way in the Laurentians, just north of Montreal, after early cancellations due to disappointing weather conditions. School competitions are being particularly encouraged this year.

Visitors to Quebec are finding a popular spot to be the great open-air skating rink located on the Esplanade on which was part of the battlefield of the Plains of Abraham.

Inauguration of the new Montreal-Quebec plane service is proving a boon to those who seek speedy travel. Many varied sections of Canada, the United States and Latin-America are represented among the winter sports visitors, with skiing and skating enthusiasts from as far away as Colombia, Cuba and Venezuela.

The Chantecler
YEAR-ROUND RESORT HOTEL
STE. ADELE EN HAUT P.Q. CANADA
Winter Holiday
Located high in the Laurentians, this luxurious hotel with new additions offers you the maximum in holiday pleasures. Ski school . . . ski-tows . . . flood-lit hills . . . spacious sun-decks and dancing in the Terrace Room. Restricted. Write for bklt., rates & reservations — THE CHANTECLER, Ste. Adele en haut, P.Q.



THE ST. MORITZ of CANADA
This year The Laurentide Inn, on the crest of the Laurentians, offers you new luxury improvements — 4 ski-tows — 125 miles marked ski trails — skating — dog-teams and plenty of open hill skiing with two ski pros in attendance. Write for new booklet and rates, or phone: K. W. Harrison, Managing Director, Ste. Agathe des Monts in the Laurentians, P.Q.
The LAURENTIDE Inn

NEW YORK
TWO SERVICES DAILY
$22.55 one way $40.58 round trip
CHICAGO—Fast, convenient, twice-daily service. Daily service to St. Louis, Oklahoma, Texas, California.
BOSTON—Five services daily. 3 hours, 42 minutes.
BUFFALO—Twice daily. Connections to Rochester and Syracuse.
WASHINGTON—Four services daily. 4 hours, 20 minutes. Daily service to Pittsburgh and Baltimore.
GOING
Lv. Toronto 10:30 am 6:30 pm
Ar. Buffalo 11:07 am 7:07 pm
Ar. Newark 1:31 pm
Ar. New York 1:56 pm 9:00 pm
RETURNING
Lv. New York 6:35 am 2:55 pm
Lv. Newark 7:00 am
Lv. Buffalo 9:25 am 5:35 pm
Ar. Toronto 10:05 am 6:15 pm
(Standard Time Shown)
COMPLIMENTARY MEALS SERVED ALOFT.
For reservations, call your Travel Agent or Waverley 4661.
Ticket Office: Reford Bldg., 36 Wellington, West.
AMERICAN AIRLINES
ROUTE OF THE FLAGSHIPS

SKI at LAC BEAUPORT Snow's Right Sun's Bright
Learn the Parallel Technique
Swoop down the gleaming slopes of Canada's finest snow bowl . . . at Quebec's Lac Beauport. Catch on to the Parallel Technique at Chateau Frontenac Ski-Hawk School. Tows, slaloms, fascinating trails. Also, tobogganing, skating, curling. Then, dining, dancing and your comfortable guest room in the hospitable Chateau.
Low-cost rail fares and all expense tours.
Moderate hotel rates.
Booklet and reservations from any Canadian Pacific agent or
Chateau Frontenac
A CANADIAN PACIFIC HOTEL IN FRIENDLY OLD QUEBEC

Manoir PINOTEAU
At the Foot of Mont Tremblant
SKI . . . at Canada's top-notch winter sports centre—in the Laurentians . . . close to overhead chair ski-lift . . . long downhill runs. Fully modern resort . . . all rooms with or without private bath . . . delicious cuisine.
Laze in the comfortable Manoir lounge before crackling log fires . . . "rough it" . . . in real comfort . . . enjoy French Canada's Winter Sports at Canada's most glorious resort hotel. Write: Booklet and rates.
MANOIR PINOTEAU, Mont Tremblant, P.Q.

THE ALPINE INN
REVEL IN WINTER
At this luxurious log chalet, in the famous Laurentians . . . 60 rooms with or without private baths . . . comfortable lounges . . . cosy hearths . . . excellent table and every up-to-date convenience. 2 ski-tows and "Hill 60" on the property . . . well marked trails . . . official ski school, Canadian and European instructors . . . all winter activities. Restricted Clientele. Bklt. and rates—write: Ste. Marguerite Station, P.Q.

Here is Eastern Canada's Finest Ski Terrain!
Glorious winter conditions — deep snow — powdered by frequent falls — 125 miles of mapped trails to suit every type of skier. This is the famous Mt. Tremblant sector of the Laurentians —home of the Snow Eagle Ski School. Make this your winter vacation spot and be sure of good skiing. Ski tow, jump, trails, dog teams, skating, riding, tobogganing, too! Good cuisine, steam heat, low rates. Restricted clientele.
Write for folder.
F. H. WHEELER, Mg. Dir.
ST. JOVITE STATION, QUEBEC
GRAY ROCKS Inn

NEW SCHEDULES
TCA
2 Hours Non-Stop to NEW YORK
3 FLIGHTS DAILY
Lv. TORONTO ..10.35 a.m., 5.00 p.m., (c) 11.30 p.m.
(c) daily except Saturday
Return: Lv. NEW YORK (b) 8.00 a.m. 2.30 p.m. 8.00 p.m.
(b) daily except Sunday
Times shown are Standard, at Airport
Convenient connections at New York for Philadelphia, Baltimore, Washington, Hartford, Providence and Boston.
Twin-Engined Lockheed Air Liners
Stewardess service — Refreshments aloft.
TRANS-CANADA AIR LINES
Speeds the Nation's Business
Information and Reservations — AD. 5233
Traffic Office - Royal York Hotel — AD. 4415
N. W. Cor. King & Yonge Sts. — AD. 8525
or any Travel Agent
AIR MAIL . . . PASSENGER . . . AIR EXPRESS

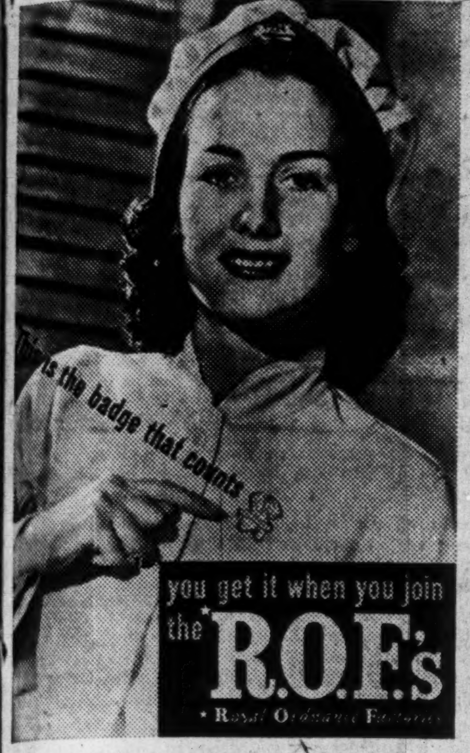
THE FINANCIAL POST

Largest Circulation of All Canadian Financial Papers

Vol. XXXVI Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JANUARY 17, 1942 10c a Copy; $5.00 a Year No. 3

Britain Blasting at Bottlenecks to New Goal

Labor and Machine Tool Shortages Seen as Biggest Obstacles to Achieving a 40% Greater War Production—Can They be Hurdled?


It's the badge that counts
you get it when you join the R.O.F.'s
Royal Ordnance Factories

Fostering pride in the job.

By FLOYD S. CHALMERS
Editor, The Financial Post

Britain has achieved an almost fantastic increase in war output during the past year. She is aiming at a further increase in the coming year. Many new factories have been built and have been equipped with machinery—much of it Lease-Lend. The bottleneck now is in labor. That is why Britain is conscripting even married women for factory work on war jobs.

The most convincing evidence of increased production of war weapons in Britain would be actual figures of output of tanks, planes, guns, etc. The British do not publish such facts. No one but the members of the "Production Executive" knows them. They are content to let both the public and the enemy guess as to what the figures show.

Here are some statements on British war production that were given to me, or were published, while I was in Britain:

> Aircraft production—in terms of manhours or structure weights, not in number of planes—has doubled in the past year.
>
> Ship repair has caught up so that vessels are now handled as soon as they reach port. A year ago, ship repair was five months behind.
>
> Production of anti-tank guns is six times what it was a year ago; of field artillery seven times.
>
> Tank production has considerably more than doubled.
>
> Ammunition production is up about 50 per cent.

These are almost meaningless statements. They do not indicate whether the starting point—the basis of comparison—in any case was high or very low.

Three War Buyers

There is a common misconception that Britain has one Ministry of Supply. Actually there are three separate groups buying war weapons.

Lord Beaverbrook, as Minister of Supply, buys for the Army—tanks, guns, shells, explosives and so on. He works through a combination of industrialists and civil servants, and gets results by sheer "drive."

The needs of the Air Force are in the main looked after by another Ministry—that of Aircraft Production.

The Admiralty continues in its own nook to buy for its own needs and to look after merchant ship-building.

Back of these three Supply organizations stand a dozen or more other ministries and departments whose activities have to be lined up with Supply needs if the country is to be organized for maximum production. They include the Board of Trade, with its control of factories, imports and exports; the Ministry of Labor and National Service, with its control of man power; the Ministry of War Transport, which moves supplies; the Treasury, with its power to okay or veto expenditures.

To co-ordinate all these departments there exists the "Production Executive"—a cabinet committee. The members of this committee are hard-worked cabinet ministers, most of them with their own jobs to do.

It need not be surprising—with so many people interested in getting production in their own fields—that one hears charges in Britain of lack of over-all planning, of lack of co-ordination in British war production; of the need for a single "Minister of Production."

One hears in Britain occasional statements such as that of Sir John Wardlaw-Milne, chairman of the Select Committee on National Expenditures, that British war production is only 75% of what it should be.

Mr. Churchill denied that statement. But later he and Mr. Bevin called for a 30 or 40% increase in output. It is simple arithmetic that if a 40% increase were possible, then the country was not previously producing all the war weapons it could have been producing.

What Britons mean when they speak of 100% efficiency is not just 100% efficiency with existing factories, machines and workers. They mean the maximum output that could be achieved if every available factory and machine were operating three shifts a day, and if every man and woman in the country, capable of being put at a bench or lathe, were set to work building war weapons with the very barest minimum of effort "wasted" on maintaining the existence of the population as a whole.

Such a definition puts the self-criticism of British war weapons production in a new light.

Two Initial Handicaps

British industry started the war under the handicap of comparative obsolescence as against Germany.

During the years of depression there had been little reconstruction or re-tooling of British plants. In Germany two policies had been in effect that resulted in greatly increasing that country's power to produce the munitions of war. One was the modernizing of industrial plants; the other the training of skilled machinists and other factory workers.

One of Germany's most brilliant pre-war taxation policies was to permit industrial firms to write off the cost of new machinery over a brief term of years. Most firms took advantage of the measure and scrapped obsolete machinery to put in new plant. This not only had the effect of modernizing Germany's industrial equipment but of creating a huge and prosperous machine tool industry.

For several years Hitler had also enforced an apprenticeship plan in German industry. In Britain, Canada, the United States and other democracies, the training of skilled workers was on a meagre scale and apprenticeship plans were resisted by organized labor.

The war found British industry inadequately equipped; with much obsolete plant and with a shortage of skilled workers. This has greatly handicapped production. It created the two greatest bottlenecks of the whole production effort: the bottleneck of machine tools and the bottleneck of skilled workers. Even today they are among the most difficult problems with which Lord Beaverbrook and other Supply officials have to deal.

First as Minister of Aircraft Production and now as Minister of Supply, Lord Beaverbrook has been the spark-plug of British production since Dunkirk. He has his own ways of getting results. When I went to see him I noticed the crudely hand-lettered posters on the walls of his office:

> "ORGANIZATION IS THE ENEMY OF IMPROVISATION."
>
> "COMMITTEES ARE THE ENEMY OF ACTION."
>
> "UNTIL THE TARGET IS CLEAR, THE SHOOTING WILL BE POOR."

and so on.

Beaverbrook has achieved results. He has gotten them by fairly simple methods that to some degree ignore the advice he gives himself in those mottoes on his office walls.

As Minister of Aircraft Production, he got Britain the Spitfires and the Hurricanes she needed for the Battle of Britain—and got them in time.

At the M.A.P. the "Beaver" did several things.

> He ruthlessly fired out all sorts of people who had gotten into civil service or routine habits and put in dynamic businessmen to take over key jobs.
>
> He inspired manufacturers and workers to such an intensive effort that lights inside blacked-out plants burned all night and men and women worked 60 and 70 hours a week to get planes built.
>
> He remade production schedules to concentrate on fighter planes, realizing that if Britain fell, everything went, and that the way to keep Britain from falling was to have enough fighters to beat off the bombers.
>
> He dipped into vast reserves of spares—engines and components that had been set aside for the repair and maintenance of machines — and put them together to make whole planes. If an aircraft plant was hit, he sent men into the debris to pick out nuts and bolts and all salvageable material and he put them together to make fighting craft.
>
> He dispersed the industry all over Britain. Where one main plant was working on a certain type of plane he required the operating company to set up duplicate organizations in the form of scores of small factories all over the country making component parts to be sent to central points for assembly. Garages, small machine shops, all sorts of buildings were brought into action with the machinery and their workers.
>
> The dispersal operations were all put under control of the manufacturers themselves.
>
> He gave each factory an objective of so many machines to be turned out each week. The plants had to keep up the objectives set.

Smoother Liaison

He set up, too, a smoother system of liaison between the Royal Air Force and the aircraft industry. M. A. P. was merely the buying agent of the R. A. F. The dictum that the "customer is always right" applies with certain force to the buying of military aircraft. And the customer has the privilege of changing his mind whenever he likes. He has to have that privilege. Actual operations may force a radical change in design right in the middle of production. This constant change in specifications and designs has always been the bête noir of aircraft manufacture.

Beaverbrook put an R. A. F. technical man in each factory. He took one of the leading air marshals into his department to deal with requests for changes in design. If a proposed change seemed unimportant it was sometimes vetoed, or the R. A. F. was asked to modify it in a way that would not slow up production. On other occasions, it was decided not to change tools or jigs, but to produce the planes according to the original designs and to let the R. A. F. make the modifications or additions after the planes were built.

It is no secret that Beaverbrook got Britain plenty of fighter planes—chiefly that jack-of-all-trades, the Hurricane and that best fighter plane yet flown in action—the Spitfire.

His work done, Beaverbrook dropped out as Minister of Aircraft Production. But soon he was back organizing Army Supply. Now he is getting Britain the tanks and guns she needed.

One of Beaverbrook's first moves as Minister of Supply was to appoint a successful industrialist as Chairman of the Supply Council—or "general manager" of army supply. This man is William E. Rootes.

Rootes is an automobile manufacturer, young and aggressive. Before his appointment to his present post he had already demonstrated that he knew how to turn peace-time factories over to large-scale war production. He had also built and was operating a successful aircraft plant on the "shadow" scheme, originally proposed by Lord Nuffield but long resisted by the government.

Beaverbrook has brought in—or retained in a few cases—some of Britain's other successful executives to assist him. Director general of finance and contracts is P. Ashley Cooper, governor of the Hudson's Bay Company.

Director general of tank supply is George Usher, managing director of the International Combustion Co.

A Canadian, J. C. Patteson, European manager of the C.P.R., is now director general of supply services.

Most of Britain's leading industrialists have one big war job or another to do. There are some notable exceptions. Lord Nuffield, who was operating the huge Castle Bromwich aircraft factory disappeared from the scene as soon as Beaverbrook became Minister of Aircraft Production. Lord Perry, head of the Ford enterprises in Britain, is also pretty much out of the production picture.

Neither one is the type likely to work "in team" with the Civil Service. Both have an intense dislike for "bureaucracy" and it may be questioned if either one can do his best work in a field where inevitably private enterprise and governmental direction must be married.

Stimulating Workers

Britain has been very successful in its work of stimulating morale and enthusiasm in war workers. The methods used vary from one branch to another but those used in the aircraft industry may be cited as typical. They suggest the kind of job Ralph P. Bell, director general of aircraft, has done in Canada.

There are posters everywhere—done by Britain's best artists. Recently a new one appeared; a brilliantly humorous one by Punch artist Fougasse, showing the workers and the R.A.F. chasing Hitler and Goering. The catch line was "We're catching them up."

In each factory, enlarged photographs are displayed of actual planes, built in those plants, shown after they had been in actual operations. Beneath is published the plane's records in service, what it accomplished because of good workmanship—and in a few cases what happened to it as a result of unsatisfactory workmanship. Thus the worker is made to see the importance of good workmanship. It is HIS machine that he sees in the photograph.

Pilots who fly the machines made in the factory are brought in to talk en masse and individually to the worker—to tell of their experiences, to indicate where they think workmanship can be improved and how it will help them to beat down the Hun.

Once when it was necessary to induce girls in the factories to go on a seven-day week, giving up their Sunday holidays, the youngest and most dashing pilots in the R.A.F. went to the plants and made a personal appeal to them. It was successful.

German machines that are brought down are dismantled, and key parts are displayed to the workers beside similar parts from British machines, the objective being to let the worker see for himself how his skill compares with that of his "opposite number" in the Reich.

There are motion picture displays taken in actual fighting operations showing the factory's own machines in action. There are panels of photographs similar in character.

In every way the ministry endeavors to build up the idea that air operations start at the lathe or bench; that the worker is part of the team that wins battles in the sky. Each worker is, in effect, made to feel that he or she is sitting beside the pilot or the gunner in the plane.

Getting More Workers

Britain wants to double aircraft production in the next twelve months or so. She wants to get many more tanks. To do so she will have to get her plants almost universally on three-shift operations. There are many which are on two-shift operations and many more are only on one shift a day. This is due to the fact that Britain has run short of skilled workers and will be short until she can train more. The shortage of labor is not confined to skilled workers. For all his great contribution to Britain's war effort Minister of Labor and National Service Ernest Bevin lagged in two important jobs: getting training schemes under way; and conscription of women for the factories.

But now that all-out mobilization of man power and woman power has been undertaken, the production of British factories should show further great advances.

But it may be questioned if even this prospective relief of the acute man power shortage will solve all of the problems involved in getting the 30 or 40% increase in war output this winter that Mr. Bevin has asked for.

Some critics I met pointed to the "competition" between the various Supply departments and the lack of over-all planning for the most effective use of industry as a whole. Others said that Treasury timidity is still a factor reducing output below what it could be. There is much complaint too of the entanglements of Whitehall red tape.

Some examples of "bureaucracy" in Supply were bared in a recent speech in the House of Commons by a Labor M.P., Alfred Edwards, a successful manufacturer.

Mr. Edwards charged that there was neither order nor serious progress in the organization of production. The Civil Service machinery slowed things up, he said. "You can get the best brains you like from all industries but as long as they have to go at the speed of the permanent officials, production will not be speeded up," he charged.

Mr. Edwards told of a business man who was asked to send six extra copies of a certain report to London. "He wondered what would happen if he did not send the extra copies so in one case he did not send them. He suspected that no one ever looked at them. For months now he has been doing business with a single form and no one has asked for the duplicates again."

The M.P. told of one factory where the rejects were 5% when passed by one government gauge and 50% when passed by another.

In another case a million tons of petrol were lying at a certain airdrome. It was decided it was hazardously exposed and ought to be put underground. A contract was given but the contractor could not get his tools to the airfield because he was not allowed any petrol for his trucks. Thus one million tons of aviation spirit remained exposed for six weeks because someone would not release a few gallons of petrol to a contractor to move his tools to the job of storing it underground.

In still another case, £12 millions was spent on a factory but the whole plant, including the workmen, were held up when a thing "as little as a sparking plug" was missing and, because of "the system," could not be released.

In another case, bricks were needed on the Tees. There was an abundance on the Tyne, 40 miles away. No haulage could be had to bring the bricks 40 miles, so they were brought from the South of England 220 miles away.

Schuster's Size-up

Another distinguished member of the House, Sir George Schuster, who has had unique opportunities of studying the production job Britain is doing, summed up his criticisms in these words:

> "There are very large fields of production where great momentum has been gained and where very fine work is being done, but there is also a very large field, especially among medium-sized industries making accessories and components, where conditions are far from right.
>
> "There is still a lack of certainty in labor and wages policy; there is still justifiable complaint of doubt as to priorities; there are still conflicting orders from different departments and orders and counterorders within the same department; there is a lack of continuity in programmes of work, panic rush orders given and then forgotten and important work held up for lack of decision as to scientific tests, etc., etc., etc."

The criticisms cited were made in late November or in December. They represent the type of obstruction that Lord Beaverbrook is trying to remove.

I spent an hour in Lord Beaverbrook's office one day, during which he must have disposed of twenty problems while carrying on a conversation with me. In each case he gave direct simple orders, that as often as not defied the standard routine practice laid down for handling such matters. In every case he dismissed the official or secretary with the words "Now, I want action."

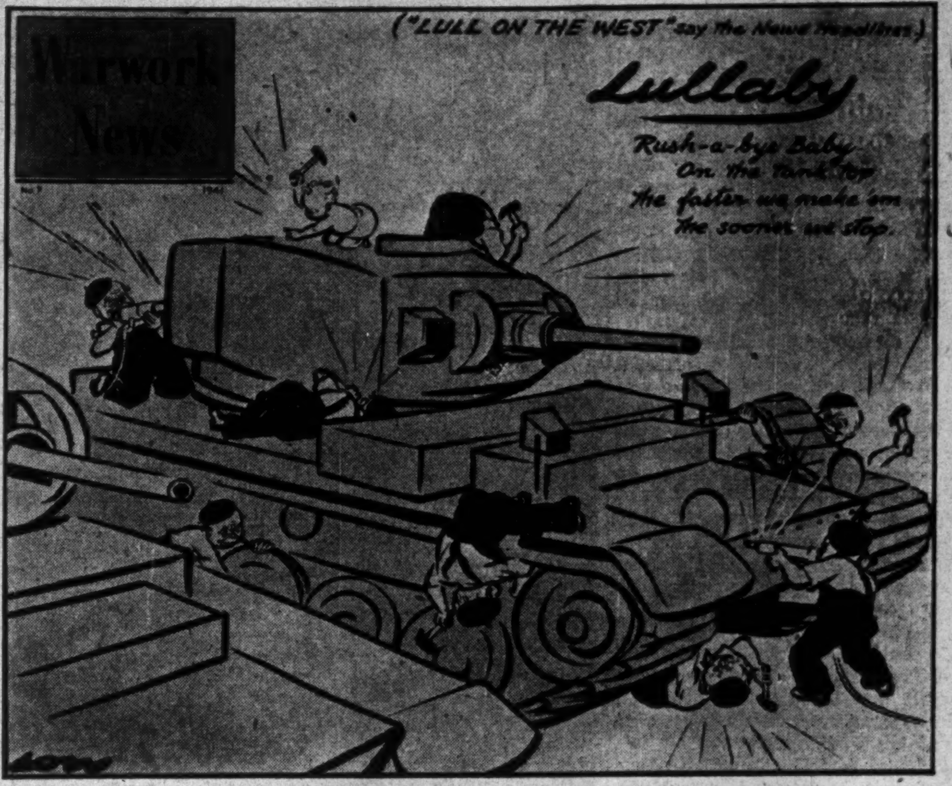
Demand Single Ministry

The next move in British supply is likely to be the taking of steps toward more effective co-ordination of all war production. This may be achieved through appointment of a single "Minister of Production."

Sir John Wardlaw-Milne, chairman of the Committee on Expenditure, referred to above, has come out in favor of a "Minister of Production." He says:

> "It is planning for production that is wanted. Government departments are still competing against each other in the factories for material."

The present production of weapons is most gratifying. But the British people regard it as merely the first step toward the maximum goals they have set themselves.



Britain uses posters like this to speed war work.

A Popular Series of Photo Posters Widely Distributed in Britain

(1) "I wanted to do some real war work."

(2) "I got quite a welcome on my first day."

(3) "Soon I had some jolly good friends."

(4) "Surprising how soon I became clever at it."

(5) "They look after my appetite, too."

(6) "And even my hands are well cared for."

Pulp and Paper Industry Sets New Records

Industry Rapidly Adjusts to War Needs and Conditions

From Our Own Correspondent

MONTREAL. — Production of pulp and paper in 1941 maintained distribution at or very close to the effective demand in every market, both on this continent and overseas, according to a joint survey prepared by F. G. Robinson, President of the Canadian Pulp and Paper Association, and Paul Kellogg, Deputy President, Newsprint Association of Canada.

Preliminary estimates for the full year indicate Canadian newsprint shipments should reach 3,430,000 tons, and may still exceed the 3,436,000 tons shipped during 1940. During the five years 1936-40, the average annual shipment totalled around 3,143,000 tons, with approximately 551,000 tons destined for overseas markets. Last year, shipments overseas at roughly 500,000 tons were substantially below the 657,588 tons shipped in 1940, peak of the five-year period.

Affect All Markets

This decline variously affected all markets, and in the Empire was primarily due to enforced reductions in the sizes of all paper and to public policies restricting imports for the conservation of exchange and shipping space.

The United Kingdom and Australasia took considerable cuts, although other Empire countries managed to maintain their supplies very close to normal.

Transport a Handicap

In Latin American markets and the Far East the handicaps were largely occasioned by a shortage of ocean transport and difficulties in obtaining U. S. funds.

Oriental trade in Canadian newsprint was maintained throughout 1941 at around the levels of normal years, due mainly to carefully regulated shipments to China, British Malaya and the Netherland East Indies. These conditions, very obviously, cannot prevail in 1942. Whether or not Pacific Ocean convoys may ultimately ease the situation, Japan's naval activity along the China coast blocks off the bulk of our Oriental markets, for the time being at least.

Outlook Indeterminate

For 1942, the financial perspective is one of indeterminate cost factors, and added burdens with no adequate compensations yet in view. Effective through the second quarter of 1942, an advance of $3 a ton in the basic export price of Canadian newsprint was announced to the trade by most manufacturers, the first notice being dated Dec. 8 last. This will bring the New York delivered price to $53 U. S. funds, but it by no means added up to the costs and production difficulties introduced by the war.

It was the first price advance to United States customers in four and one quarter years. It will boost by close to $10 millions the value of newsprint to Canada as a major producer of foreign exchange.

Here is the raw material for Canada's vast and rich pulp and paper industry, mighty prop of the Canadian industrial and financial structure. Providing for the press of the democratic world, serving directly the war effort in many different ways, Canada's forests which helped build Canada are now helping defend it.

Volume to Hold

The 1942 physical volume outlook is also one of indeterminate factors, and any forecast must assume that some at least of the unreliable ones abroad will be offset by certain others in the Canadian and United States markets.

With all the odds in mind, therefore, it may be reasonably accurate to anticipate that the 1942 newsprint demand in Canada's major markets will hold fairly close to 1941 levels, which should give the industry an operating ratio between 75 and 80%.

Among other 1941 trends was the start of an effort to discourage the consumption of colored newsprints, and several publishers have already abandoned their color schedules, or indicated their intention to do so. This is a step towards the conservation of basic chemicals needed for more essential uses. Recently, steps have been taken towards the simplification and standardization of the types of products manufactured.

Big Gain in Pulp

Pulp is produced in Canada for further processing into paper and paper products and for export. Prior to the war Canadian exports of pulp ranked well behind those of the Scandinavian group, the mills here preferring to complete the conversion process.

With the virtual elimination of Norway, Sweden and Finland from the export picture, consumers of pulp naturally turned to Canada. From 706,000 tons in 1939, pulp exports from Canada rose to 1,069,000 tons in 1940 and final figures for 1941 should show a further 30% increase. This has not only brought valuable foreign exchange to Canada—about $84 millions for 1941—but reduced the strain on pulp producers in the United States.

In addition to meeting heavy demands from the United States, exports to United Kingdom have increased over 60% and the industry has geared itself to provide large quantities of pulp for making explosives both in Canada and England,—at the same time meeting adequately the substantial requirements needed to carry on Canada's internal business affairs. Much ingenuity has been applied to accomplish this great increase in output from existing mills.

Fine Papers Do Part

Before the war Canada imported considerable quantities of book and writing paper both from the United States and Europe. Exchange rates cut imports from south of the border and European supplies practically vanished. Domestic demand for such papers increased sharply. New plants mushroomed overnight and required paper to carry on their business. Extensive campaigns were launched for the sale of bonds, war savings certificates and other patriotic objectives. For all of this paper in quantity was required.

Realizing their obligations, the fine paper mills accepted limitations on chlorine, simplified their ranges of colors and sizes, and made known to their customers the necessity of conserving paper. In addition the fine paper makers have stepped up their production 7% over 1940 despite their shortages of labor and capacity.

Paperboard Sets Pace

Since the outbreak of war the demand for paperboard has increased steadily. Already the production of paperboard for war purposes—for packing munitions and food—represents a sizable proportion of the total mill capacity and the demand will increase steadily as war plants come into production. Production in 1940 was 417,000 tons compared with 357,000 tons in 1939. Estimates for 1941 show a 12% increase over 1940.

The board industry has done an outstanding job by eliminating superfluous grades, colors, sizes, by allocation of production in co-operation with the Dominion Government,—so that these increased demands are met effectively and without major dislocations of the country's business,—linked closely as it is with containers for movement of goods.

Wallboard in "Blitz"

Wallboard is playing an important war role in the construction of new plants, workers' housing and accommodation for the armed forces. After the "blitz" of Britain, overseas demand for wallboard was particularly heavy for building shelters and rebuilding bombed-out areas.

Added to these demands, some reasonably large shipments were also made to the United States during 1941 to relieve shortages there. In all these activities, domestic and export, the manufacturers have done an outstanding job on making deliveries. They are working in the closest co-operation with Government authorities so that no necessary project will be delayed. Production in 1940 was 83,356 tons as compared with 56,649 tons in 1939; estimated figures for 1941 are up over 16%.

Production of wrapping paper is closely allied with that of container board. Here, too, the demand for war purposes has increased steadily. Production in 1939 was 109,907 tons and, in 1940, 139,716 tons. Estimates for 1941 are 23.5% over 1940.

"Bits and Pieces"

During 1941 the pulp and paper industry instituted a plan for training workmen and producing "bits and pieces" in its own machine shops to assist Canada's munition producing industries. The current rate of these subcontracts is around $4 millions a year though the dollar volume gives little indication of the importance of this work. Practically every mill in Canada with a machine shop is taking part in this work.

OPA Undertakes 'Study' Newsprint Price Boost

From Our Own Correspondent

MONTREAL.—As a result of the action taken by International Paper Co. and Canadian newsprint manufacturers in announcing an increase of $3 a ton in the price of newsprint paper for the second quarter of 1942, officials of the U. S. Office of Price Administration have undertaken a survey of the possible effects of the price increase on American newspaper industry.

At a meeting called by the OPA, publishers were asked to submit cost data showing how operations in the United States would be affected by such an increase. The publishers were requested to determine if present operating revenue would absorb the rise, or whether they might consider it necessary to advance newspaper prices, reduce the size of the average paper, or take other action.

Want Complete Picture

Almost three-quarters of the newsprint used in the United States is of Canadian origin. The OPA was told that if Canadian authorities permitted the proposed increase, American publishers would pay nearly $8 more than Canadian publishers. This refers to the payment made to the Canadian manufacturers in terms of Canadian dollars, the price to the Canadian publisher remaining unchanged at $50 a ton under the price ceiling policy announced by the government.

"Since the OPA is attempting to work closely with Canadian authorities in all matters affecting price control," an official of the OPA is quoted as saying, "it was considered essential to obtain as soon as possible a complete picture of how American publishers would be affected by the proposed increase."

Among publishers and representatives meeting with Robert M. Macey, chief of the pulp and paper section of the OPA, were: George C. Biggars, the Atlanta Journal; William G. Chandler, Scripps-Howard Newspapers; Howard Davis, New York Herald-Tribune; Walter M. Dear, the Jersey Journal of Jersey City; T. J. White, Hearst Newspapers, Chicago; S. E. Thomason, the Chicago Daily Times, and S. H. Kauffmann, of the Washington Star.

Set Up Price Board For Pulp and Paper

From Our Own Correspondent

MONTREAL. — Establishment of an entire new division of price control administration, with a unit of five administrators operating under direction of a co-ordinator, has been set up by the Wartime Prices and Trade Board. The new unit is under W. H. Howard, K.C., of Montreal, as co-ordinator.

Associated with him will be: W. H. O'Reilly, paper board administrator; F. C. Hayes, vice-president of Shipping Containers, Ltd., administrator of shipping cases, corrugated boards and solid fibre; C. M. Matheson, of Fraser Co., Ltd., wood pulp administrator; G. Meredith Smith, C.A., of P. S. Ross & Sons, newsprint administrator; S. Harvey Smith, of St. Maurice Valley Paper Co., administrator of wrapping paper and multiwall sacks.

Donnacona Paper New Stock Listed

From Our Own Correspondent

MONTREAL.—Class A and B shares of Donnacona Paper Co. have been removed from the unlisted department of the Montreal Curb Market and replaced with 376,572 no par value common shares.

Newsprint Stocks Show Small Drop

From Our Own Correspondent

MONTREAL. — Total apparent stocks of newsprint paper held by all U. S. publishers at the end of November totalled 512,693 tons. This is the largest monthly figure reported since April, 1938, and compares with 198,247 tons in October, 1941. Compared with returns at the end of November last year, the current stocks show an increase of 35,000 tons.

Manufacturers' stocks at the end of last month totalled 232,656, giving apparent mill-publishers' total of 725,329 tons. This was about 10,000 tons less than the preceding month, and 6,000 tons less than at the end of November last year.

St. Lawrence Paper Mills Retire Block of Shares

MONTREAL.—Royal Trust Co., transfer agents, has advised the Montreal Stock Exchange that 2,620 shares of 6% cumulative preferred stock of St. Lawrence Paper Mills Co. have been cancelled. At the end of 1940 the company had outstanding $13,980,100 of preferred stock. The current cancellation reduces the total to $13,718,100.

Canada's Balance on Trade In Securities Shows Gain

Canada's net balance of sales in its international trade in securities for October reached the highest level yet recorded in any month since start of the war. Total sales during the month amounted to $15.9 millions compared with purchases of $9.4 millions to leave a net balance of $6.5 millions. This compares with $3.7 millions in September and $1.2 million in August.

Most of the increase in trade came from bonds and debentures. Sales in this class in October were $10.5 millions against purchases of $6 millions leaving a net balance of $4.5 millions. Sales of Dominion and provincial bonds made up the bulk of this account.

There was a net balance of $2.1 millions in trading of U. S. securities with sales of $3.3 millions comparing with purchases of $1.2 million.

Big Trade with U. S.

Practically all of the month's trading was with the United States, total sales to the U. S. amounting to $15.6 millions against purchases of $8.7 millions.

Purchases from the United Kingdom continue on a small scale, the October total being $544,431 against sales of $8,048.

In the ten months ended October, 1941, total sales of $83.8 millions compared with total purchases of $58.7 millions. Net sales of Canadian securities accounted for about $10.5 millions and net sales of U. S. securities for $14.4 millions. Total net sales to the U. S. were $26.8 millions and private repurchases from the U. K. about $1.9 million. In the same months of 1940, total net sales were $25.4 millions, net sales of Canadian securities being $9.2 millions and net sales of U. S. securities $15.2 millions.

Details of the securities trade with the United States follow:

Analysis of Securities Trade with U. S.
Ten Months Ended October, 1941

	Sales to U. S.	Purchases from U. S.
	$	$
Bonds & debentures:		
Can. new issues	19,067	......
Can. o/s issues:		
Dominion	10,151,833	5,190,386
Provincial	5,498,713	3,262,626
Municipal	2,156,258	1,058,946
Dom. gtd.	10,275,268	7,624,218
Other railway	3,745,153	5,910,938
Other corporation	6,764,454	4,905,232
U. S. new issues:		
Government	......	665,980
Other	......	307,233
U. S. o/s issues:		
Government	3,087,427	1,840,396
Other	3,457,730	1,741,540
U. K. new issues:		
Government	......	13,282
Other	......	496
U. K. o/s issues:		
Government	14,995	23,553
Other	524,937	553,152
Other countries	905,979	707,781
Unspecified	3,641,446	3,675,181
Total bonds	50,243,260	37,489,940
Stocks:		
Canadian	10,337,594	8,766,715
United States	19,447,790	7,008,971
United Kingdom	2,978	128,115
Other countries	207,575	9,675
Short term securities	54,969	76,731
Other securities:		
Canadian	278,050	324,752
United States	32,037	1,928
Other countries	4,051	2,325
Grand total	80,608,304	53,809,152

B. C. Extractive Industries Establish New High Record

From Our Own Correspondent

VANCOUVER. — Primary industries of British Columbia went over the top again last year in value of production.

Statistics prepared by the provincial government place the total at $275 millions, this figure comprising the output of forests, mines, fisheries and farms. This represents a gain of $49 millions over 1940.

Lumber and pulp and paper mills, coupled with plywood factories and related forest industries, swelled the total to the extent of $120 millions, an increase of nearly $18 million in a year.

Gross log scale was estimated at 3.6 billion feet.

Mining contributed $75 millions, about the same as last year, featured by continued heavy gold and base metal production and improvement in coal output.

Despite an unfavorable season, agriculture accounted for $55 millions, an advance of $4 millions. Higher prices for most products, coupled with exports of apples to the British Isles, were chiefly responsible for the gain.

Government assistance in transportation of feed grains and a bonus on export eggs were contributory factors, too.

The salmon pack was the highest in years—in excess of 2.5 million cases, and the herring pack was more than a million cases, an all-time record by a wide margin. Fisheries production was rated at about $25 millions, or $4 millions higher than in 1940.

The tourist trade is credited with bringing in $12.6 millions, or $1.6 millions higher than the year before.

U. S. Hits Paper Hoarding Risk

Inventories to be Kept at Minimum to Avoid Restrictions

Possibility that hoarding may accentuate the apparent shortage of many kinds of paper in the United States has been recognized by a warning given by the Office of Production Management.

It threatens drastic action under priorities regulations against any person who permits inventories to go beyond a practicable working minimum in a statement which was directed toward all manufactures, converters, users and distributors of pulp, paper and paper products.

The statement points out that the term "practicable minimum working inventory" is to be strictly interpreted. The mere fact that the rate of turnover has increased or that materials are difficult to obtain does not justify maintaining inventories above the minimum with which operations can be continued it is maintained.

Much Substitution

New York reports indicate that there has been some increase in demand for paper directly attributable to the war, but the chief reason for the current shortage is substitution of paper for scarcer raw materials. Industries that have been using box grade lumber, Cellophane, tin foil, burlap and tin cans as packaging materials are turning to paper as a substitute in a number of instances.

The forward buying in anticipation of actual consumption which was started when imports from Scandinavian countries were cut off early last year had the advantage of causing pulp and paper producers to step up operations to capacity levels at once. It also meant that a large reserve of paper now exists in the shape of inventories.

It is pointed out that while some mild restrictions on consumption of certain types of paper may be necessary later on as the trend toward substitution becomes more common, this should not be necessary in the United States for some time and perhaps not at all if hoarding of supplies ceases.

Abitibi Sale Held Up Pending Appeal Hearing

As suggested in The Financial Post last week, the proposed sale of the assets and properties of Abitibi Power & Paper Co., scheduled for February 18, has been held up pending settlement of the appeal which has now been entered against the sale order.

The appeal will be heard in the Ontario Court of Appeals and it is said that this court's decision is likely to be held final although, as there is a constitutional law question at issue over the Ontario moratorium legislation, this may not follow precedent.

Dominion Coal Co. Speeds Production

From Our Own Correspondent

MONTREAL. — December saw a further improvement in production for Dominion Coal Co., as a result of the end in October of the "slowdown." In November there was a gain of 15,559 tons over November, 1940, and in December, output of 418,393 tons compared with 386,204 tons a year ago, a gain of 32,189 tons.

Cumulative production by Dominion Coal Co. collieries totalled 4,522,062 tons. This was 458,797 tons below 1940, which established a peak for all-time.

Dryden Paper Prospects Good

Expect Some Ratio of Increase in Profits for 1942 as in 1941

From Our Own Correspondent

MONTREAL.—Prospects of Dryden Paper Co. for the coming year were very favorable and, if existing conditions prevail, earnings should show the same ratio of increase as last year, according to a statement made at the annual meeting of shareholders by F. A. Sabbaton, president. In the year ended Sept. 30, 1941, net earnings before depreciation, depletion and profits taxes, were $328,612 as against $215,257 in the preceding year.

Dividend policy, Mr. Sabbaton stated, would depend entirely on existing conditions in the country, and to the amount necessary for excess profits tax. If higher than last year, then chances of dividends were slim, but if unchanged the directors would use their best judgment in the matter. He also stated that it would be wise to conserve resources for a "rainy day" that would follow the readjustment period after the war.

Mr. Sabbaton also told shareholders new digester equipment is needed and had been sought, but, due to the metal shortage, no digester plates have been made available to the company.

PLAN AHEAD

The government of Canada has announced plans to finance much of the war expenditure out of current revenue. War taxes of various sorts are being imposed. To meet them the first step is to save systematically. Open an account with this Corporation and be ready when the government calls.

2% on Savings—Safety Deposit Boxes $3 and up —Mortgage Loans.

CANADA PERMANENT
Mortgage Corporation
Head Office, 320 Bay St., Toronto
Assets Exceed $67,000,000.

Abitibi Power & Paper Company, Limited
TORONTO, ONT.
Owning directly or through subsidiary companies, mills at
Beaupre, Que. Iroquois Falls, Ont.
Pine Falls, Man. Smooth Rock Falls, Ont.
Sault Ste. Marie, Ont. Fort William, Ont.
Port Arthur, Ont.
Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

CANADA CEMENT COMPANY LIMITED

Annual Report of the Board of Directors

TO THE SHAREHOLDERS:

Your Directors beg to present herewith the Fourteenth Annual Statement of the affairs and financial position of your Company as at November 30, 1941.

Net earnings amounted to $1,631,059.50 after providing for depreciation and setting up a provisional amount for Government taxes. This compares with net earnings of $1,332,220.35 in the previous year, an increase of $298,839.15.

Full dividend of 6½% was earned and declared on the Preference Stock with some margin to spare. The mortgage on the Canada Cement Building was reduced by $50,000.00. The liquid position of the Company was well maintained with Current Assets at $4,068,584.65 in excess of Current Liabilities.

There was a good deal of activity in the building industry during the year, with a consequent increase in shipments of cement. The demand was fairly general throughout the whole country and war plant construction contributed to the volume of business quite considerably.

Capital Expenditures for the year were fairly heavy, chiefly at the plants at Montreal East, Hull, Que., and Exshaw, Alberta. These expenditures were nearly all in the nature of replacements and improvements such as new stockhouses at Hull, Que., general rehabilitation at Exshaw, Alberta, and certain additions at Montreal East for the more economical production of High Early Strength Cement.

It is difficult, in fact almost impossible, to predict with any degree of certainty due to war exigencies what volume of business we may expect for the coming year. Notwithstanding, however, that the peak of war plant construction may have been reached and that ordinary building operations and non-war activities may suffer considerably from priorities for war purposes, we still believe that a fair volume of cement business is in prospect for 1942.

Respectfully submitted on behalf of the Board of Directors.

J. D. JOHNSON,
President.

CONSOLIDATED BALANCE SHEET — NOVEMBER 30, 1941

ASSETS

CURRENT ASSETS:			
Inventories of Cement, Materials and Supplies as determined and certified by the Management and valued at or below cost, which is below market		$ 1,839,954.01	
Accounts Receivable (less Bad Debts Reserve)—			
Customers' Accounts	$1,098,188.04		
Other Accounts	47,076.87		
		1,145,264.91	
Government Bonds (Market Value $981,343.75)		901,704.50	
Cash		2,299,700.77	
			$ 6,186,624.19
INVESTMENT IN COMPANY'S OWN BONDS, AT PAR			93,500.00
UNEXPIRED INSURANCE, PREPAID TAXES AND OTHER PREPAID EXPENSES			138,737.97
BOND REFUNDING EXPENSE (less amounts written off)			1,100,000.00
PROPERTY ACCOUNT:			
Land, Buildings, Plant and Equipment, etc. (as appraised by Messrs. Ford, Bacon & Davis Inc. on the basis of commercial value at September 30, 1927, $38,267,500.00) and the Canada Cement Building at cost; with subsequent net additions at cost: less Depreciation Reserves of $19,309,702.81			36,980,782.78
			$44,499,644.94

LIABILITIES

CURRENT LIABILITIES:			
Accounts Payable		$ 441,525.87	
Bond Interest Accrued		37,187.50	
Preference Dividend declared, payable December 20, 1941		552,389.75	
Provision for Dominion, Provincial and Other Taxes (after prepayment of approximately $1,000,000.00 to the Dominion Government)		1,086,936.42	
			$ 2,118,039.54
FIRST MORTGAGE BONDS:			
Authorized		$20,000,000.00	
Issued Series "A"		$16,500,000.00	
Outstanding— 4¼% Sinking Fund Bonds due 1951			10,500,000.00
MORTGAGE ON CANADA CEMENT BUILDING:			
Repayable in semi-annual instalments and balance due in 1948			545,000.00
RESERVES:			
Fire Insurance		$ 750,000.00	
Extraordinary Repairs and Renewals		350,000.00	
Industrial Accidents		57,500.00	
Contingent Reserve		400,000.00	
			1,557,500.00
PREFERENCE SHARES REDEMPTION RESERVE			55,900.00
PREFERENCE SHARES — 6½% SINKING FUND CUMULATIVE SHARES OF $100.00 EACH, REDEEMABLE ON SIXTY DAYS' NOTICE:			
Authorized (of which $21,000,000.00 has been issued)		$25,000,000.00	
Outstanding			20,086,900.00
NOTE: Dividends are in arrears $34.25 per share.			
COMMON SHARES:			
600,000 Shares of No Par Value out of an authorized issue of 750,000 Shares			6,403,904.75
EARNED SURPLUS:			
Profit and Loss Account for the year ending Nov. 30, 1941—			
Profit from Operations after providing $1,750,000.00 for Depreciation and after deducting Executive Remuneration $89,458.30, Directors' Fees $10,720.00 and Legal Expenses $2,540.94	$3,974,629.84		
Income from Investments	32,012.44		
		$ 4,006,642.28	
Deduct:			
Bond Interest (net)	$ 442,282.78		
Mortgage Interest	23,300.00		
Proportion of Bond Refunding Expense	110,000.00		
Provision for Income and Profits Taxes	1,800,000.00		
		2,375,582.78	
		$ 1,631,059.50	
Earned Surplus November 30, 1940		2,906,989.65	
		$ 4,538,049.15	
DEDUCT: Dividends on Preference Shares		1,305,648.50	
			3,232,400.65
			$44,499,644.94

AUDITORS' REPORT TO THE SHAREHOLDERS:

We have made an examination of the books and accounts of Canada Cement Company Limited and its Subsidiary Companies for the year ending November 30, 1941, and have obtained all the information and explanations which we have required. Provision has been made for Income and Profits Taxes in amounts considered by the Directors to be sufficient and this provision is subject to final determination by the Income Tax Department. On this basis we report that, in our opinion, the above Balance Sheet is properly drawn up so as to exhibit a true and correct view of the affairs of Canada Cement Company Limited and its Subsidiary Companies at November 30, 1941, and that the Profit and Loss Account correctly sets forth the result of their combined operations, according to the best of our information and the explanations given to us and as shown by the books of the Companies.

PRICE, WATERHOUSE & CO., Auditors.
Montreal, January 2, 1942.

Approved on behalf of the Board:
J. D. JOHNSON, Director.
F. B. KILBOURN, Director.

Banque Canadienne Nationale 67th Annual General Meeting

Comments on the Bank's operations by Mr. Charles St-Pierre, General Manager

Review of general conditions in Canada by Mr. Beaudry Leman, President

The 67th annual general meeting of the shareholders of the Banque Canadienne Nationale was held on Thursday, January 8, at the head office of the Bank, Place d'Armes, Montreal.

After the usual formalities, the President, Mr. Beaudry Leman, called on the General Manager, Mr. Charles St-Pierre, to read the annual report of the Board of Directors, as follows:

Net profits of $811,351 shown in the Profit and Loss Account are approximately the same as the previous year's, which were $812,588, although Dominion and provincial taxes increased from $233,563 to $251,629 in 1941. It is of interest to note that the ratio of profits to total assets of the ten Canadian chartered banks had fallen from .46% in 1939 to .44% in 1940, notwithstanding the stimulus to business of war expenditures. The statements issued thus far by the banks indicate that this ratio will be lower in 1941. As far as our Bank is concerned, the ratio of profits to total assets was .51% in 1939, .52% in 1940 and .49% last year.

The allocation of profits was the same as last year, to wit: $560,000 in dividends, $125,000 to the Province of Quebec, under 14 George V, chapter 3, $125,000 for depreciation of premises and $60,000 to the Staff Pension Fund. The balance at credit of Profit and Loss Account was $252,389, against $251,038 on November 30, 1940.

Deposits reached a new high of $153,397,158, in comparison with $139,676,666 a year before. Deposits by the public not bearing interest, higher by $5,778,251, amount to $37,772,801, and deposits by the public bearing interest, which increased by $5,818,243, stand at $108,306,208, the highest of record. Dominion Government deposits rose by some two and a half millions, while Provincial Government deposits are slightly lower.

Total assets, showing an increase of over twelve and a half millions, aggregate $171,586,768, a high for this Bank. Cash assets of $27,952,468, as compared with $26,131,253 in 1940, represent 17.59% of liabilities to the public. Quick assets have passed from $91,088,996 a year ago to $106,122,613 at the date of the statement. They are equal to 66.80% of liabilities to the public, against 62.36% in 1940. Investments, consisting mainly of high grade short term securities, stand at $74,712,664, in comparison with $60,996,810 last year.

Current loans and discounts total $49,966,486, against $49,586,894 last year. Our clients did not call upon the Bank for credit facilities to the extent we would have desired. The combined commercial loans of the ten Canadian chartered banks, as of 31st October, 1941, although showing a substantial increase, are not in keeping with the much greater economic activity manifest during the year. The reason is to be found in the fact that most armament and munition plants are financed or operated by the Government.

The Balance Sheet discloses that, on November 29 last, the notes of the Bank in circulation amounted to $3,606,662, against $4,181,135 a year ago. The chartered banks' note issue privilege, under the provisions of the Bank Act of 1934, is now restricted to 55% of their paid up capital. The notes of the Bank of Canada are gradually replacing those of the chartered banks. This is evidenced by the figures of the notes of the chartered banks in the hands of the public, amounting to some 82 million dollars, whereas the active circulation of Bank of Canada notes rose from 106 million dollars in 1938, the last pre-war year, to 244 millions in October 1940 and to 344 millions on November 26 last.

A rapid increase of monetary instruments coincident with a growing scarcity of consumer goods makes for inflation, and the index of the cost of living reflects these conditions. In order to cope with the situation, the Government has taken various measures such as higher taxes, which absorb a part of the surplus purchasing power of the public, and, more recently, ceilings for wages and prices, for the purpose of curbing the ill-effect of the vicious spiral of mounting prices. It is to be hoped that the public will endeavor to assist in discouraging inflation, as they already know of its disastrous consequences, and that they will co-operate with the Government to insure the successful operation of these measures of control.

During the past year, the members of the staff have performed their tasks satisfactorily, and it is fitting to commend the devotion with which, in these difficult circumstances, the employees have served both the Bank and its clients.

The President's Address

Gentlemen,

My foremost duty is to render, on behalf of the shareholders, a tribute of respect to the memory of the late Honourable D. O. L'Esperance who passed away suddenly on 31st August last. The Senator, whose presence will be sorely missed by his colleagues, had been during eighteen years a member of the Board of Directors of this Bank. His widespread business experience and thorough knowledge of economic conditions in the province of Quebec enabled Senator L'Esperance to contribute to the progress of the Bank whilst his devotion to its interests was unfailing.

On 31st October, your Board called to its council Mr. L. J. Adjutor Amyot, of Quebec City, an outstanding industrialist and financier. We are confident that his collaboration will be very valuable to the Bank.

In moving the adoption of the annual report of the Bank, which Mr. Charles St-Pierre, General Manager, has just read, I should like to add a few remarks on business conditions.

Agricultural Production

You will recall that, in the course of last year, the Dominion Government sought to restrict the areas sown to wheat in the Prairie Provinces, through a system of indemnities to the wheat producers. On these restrictive measures were superimposed unfavourable growing conditions, with the result that the crop will not exceed 306 million bushels, which amount corresponds approximately to domestic requirements and the prospective demand for export trade, during the present crop year. However, taking into account the bountiful crop of the preceding year, which totalled up to 550 million bushels, the carryover now exceeds the record amount of 500 million bushels. In pursuance of arrangements recently made, we will ship this year about 120 million bushels of wheat to Great Britain, thereby lowering the stocks on hand.

The gross value of Canadian field crops in 1941 will add up to about 649 million dollars, being some 33 million dollars less than in 1940. Our exports of wheat, of various other foodstuffs and of meats show a slight improvement over the preceding year and should increase the purchasing power of the farmers.

Mining Industry

Mining was carried on actively during the whole of last year. Our output of gold for the first nine months exceeds four million ounces, representing a value of more than 154 millions of dollars, and the total for the twelve months will doubtless exceed 200 millions. The production of coal is slightly above the figures of last year. There are no statistics issued during the war in regard to the mining of base metals, but the figures pertinent to exports indicate an increase over those for 1940, although the latter were already at a record high. The demand for base metals will be so large, both in Canada and in the United States, that the output in the two countries, although very considerable, will be below requirements. It is already urgent to foster the production of copper, nickel, lead and zinc.

Forestry

Forestry operations were more active than during 1940. The pulp and paper industry increased its exports to the United States, which country absorbs the bulk of its production. The difficulty of securing shipping space has curtailed our exports of lumber to the United Kingdom, but the vast construction programme of the Canadian Department of Munitions and Supply has increased the demand on the domestic market.

Industrial Activity

The production of hydro-electric energy, which is an infallible barometer of industrial activity, established a new record in 1941. The iron and steel industry has turned out the greatest tonnage in its history. However, the volume is still below the requirements of a growing armaments and shipbuilding industry. A number of steel mills are undertaking improvements and enlargements. This can also be said of a number of metallurgical plants. It has been stated that the output of aluminium had increased fivefold in the course of the last twelve months.

Manufacturing shows substantial progress and the output has established a new record. This increase covers nearly all branches, but has been particularly pronounced in machine shops and in the automobile and tire industries. The mills working on consumers' goods show a marked increase, notably the flour mills, abattoirs, packing, cotton mills, boot, shoe and tobacco factories.

Although domestic consumption shows some increase, doubtless due to wider employment, the enlarged output reflects a greater demand from outside markets.

Building contracts for the first eleven months of 1941 aggregate some 375 million dollars, an increase of 16.7% over the figures of the same period of the preceding year, but the building trades show some signs of slowing down as the building programme for military purposes is far advanced. The influence of war construction in Canada was very considerable during the last two years.

Employment

The index of employment disclosed, on 1st of October last and this for the ninth successive month, an advance in the number of employees at work. This is the longest period of uninterrupted improvement recorded by the index, established some twenty-one years ago. According to the Dominion Bureau of Statistics, since the beginning of the war, some 50,000 additional persons have found work monthly, private industry absorbing about 37,000 and the army recruiting some 13,000. It is estimated that one-quarter of this total is represented by new employees after school-leaving and three-quarters by former unemployed or by persons who were not workers or who were working on their own account. It would seem that, in the very near future, it will become necessary to find some method of allocating available manpower between war industries and consumers' goods industries.

Foreign Trade

For the first ten months of 1941, Canada's foreign trade, excluding gold, amounted in the aggregate to 2,497 million dollars, in comparison with 1,841 millions during the same period of 1940. Our imports totalled 1,189 millions, an increase of 312 millions. Our exports added up to 1,308 millions, a gain of 344 millions. Our favourable balance of trade, which was 87 millions for the same period of 1940, has risen to 119 million dollars. About 78% of our foreign trade was carried on with Great Britain and the United States. Our imports from the United Kingdom, amounting to about 113 millions, show a reduction of some two million dollars, whereas our imports from the United States have increased by more than 200 millions, having risen from 600 to 816 millions of dollars. Our exports to the United Kingdom total 549 millions and our exports to the United States, some 478 millions.

These impressive figures should not make us lose sight of the improvement in our foreign trade with other countries in South America with which we have negotiated trade treaties. Some of the advantages we have gained in foreign markets are the result of the absence of competition due to the war. The restrictive measures applicable to many branches of Canadian production may jeopardize our opportunity to secure for the future these markets which would be very valuable when the war is over. It is gratifying to hear that the Canadian Minister of Trade and Commerce is seeking the means of consolidating the advantages obtained for our export trade.

Business Relations With the United States

The balance of trade with the United States, for the first ten months of 1941, was unfavourable by an amount of 339 million dollars. This deficit will doubtless exceed, for the whole of the year, 400 million dollars, against 116 millions for 1939. Additionally, we are obligated to pay to American holders of Canadian stocks and bonds, dividends and interest aggregating about 260 millions of dollars. As a set-off, we ship to the United States the bulk of our gold, amounting to some 200 million dollars in the course of last year. Although tourist travel from Canada to the United States is restricted, we endeavour to attract American visitors to Canada. This American tourist traffic is estimated to have left in Canada, in the course of 1941, some 150 million dollars. The comparison of the credit items of 350 millions and of the debit items of 660 millions places in bold relief the gravity of the exchange problem.

Activity not Prosperity

The war has cost Canada, since its inception, about one and a half billion dollars and the tempo is presently about 100 million dollars the month. In addition thereto, Canada finances Great Britain for the purchase of war material, munitions and foodstuffs, on a scale which will add up to nearly 1,500 millions for the present fiscal year.

A great many people find in this abnormal economic activity a temporary betterment of their personal condition and are thereby inclined to mistake activity for prosperity. No greater delusion can be entertained than the hope that a country or its citizens can secure lasting material benefits from war, which is waste and destruction of materials, labour and capital. As the State runs into debt, it appropriates, through taxation, the products of the toil of its nationals. Deficit spending and borrowing has its limits that are to be found somewhere along the border line separating the total production of a country and the minimum to which consumption may be reduced. Sooner or later, the cost of war must be paid for in toil and self-denial.

Taxation and the Aftermath

To meet the very heavy costs of war, the Government must resort both to taxation and borrowing. The Minister of Finance acknowledges that we are already approaching the limit of what may be secured through taxation. It is to be expected that henceforth greater dependence will be placed on loans.

The imposts which have been mounting since the beginning of hostilities and particularly so during the last year, now bear so heavily on the taxpayer that he is deprived of a large share of his toil, of his savings and of his initiative. Was Calvin Coolidge endowed with greater foresight than he was given credit for, when, as President of the United States, he stated: "No matter what any one may say about making the rich and the corporations pay the taxes, in the end they come out of the people who toil. No system has ever been devised under which any person living in the United States could escape being affected by the cost of our Government. It is felt in the price of those prime necessities of existence: food, clothing, fuel, shelter. I want the people of America to be able to work less for the Government and more for themselves. I want them to have the rewards of their own industry. That is the chief meaning of freedom."

Excessive taxation is apt to jeopardize the financial stability of many undertakings. Without seeking to restrict Canada's war effort, is it not desirable to keep the future in mind? When hostilities cease, the re-employment, as rapidly as possible, of many hundreds of thousands of men whose serivces will become available through demobilization and the closing of munitions and armament factories, will become imperative. This question, difficult in all countries, becomes embarrassing in younger countries like Canada where accumulated capital is relatively small and where the bulk of the population is dependent on its toil for its livelihood. Official statistics indicate that out of the total national revenue in Canada a proportion of only 14% is derived from property income, that is from dividends, interest and rentals.

Canada's Public Debt

Last year's Victory Loan will be followed next month by a new loan of some 500 million dollars. The Dominion will no doubt make further appeals later on. When peace is restored, the public debt of Canada will doubtless be much larger than that which was incurred during the last war. Its amount is not, however, the sole aspect to be considered. The loans now being negotiated bear a much lower rate of interest than the rates which were effective some twenty-five years ago. Moreover, it is pertinent to bear in mind that the present indebtedness is owing to Canadian citizens and that the interest payments restore to the Canadian economy important sums of money, thereby exerting a favourable influence on trade.

Free Enterprise or State Control

The question which is foremost in the mind of those who are concerned with post-war problems is one related to our social and economic structure. What measure of economic freedom will the post-war world enjoy? The democracies have been compelled, for the sake of speed and efficiency, to adopt methods which are part and parcel of the totalitarian philosophy. Will these restraining measures become permanent or will the Governments loosen their hold on all forms of economic activity?

It is becoming more apparent every day that the magnitude of some of the problems to be solved will be such that they will have to be dealt with on the basis of international understandings. The last quarter of a century has evidenced the interdependence of the nations of the world. After the present war, certain regions will hold an excess of raw materials which will be sorely needed in other countries to start anew the wheels of industry and to provide the source of livelihood for huge populations. The United States has already taken the initiative of calling a Conference of representatives of the principal wheat-growing countries and will no doubt convene other meetings for the purpose of studying matters pertaining to the production and the distribution of basic raw materials as well as to questions related to transportation. Canada will surely be called upon to take part in a number of these international agreements.

We have given a brief outline of economic developments in Canada during the year 1941. Under present circumstances, it would be presumptuous to hazard forecasts. On the threshold of this new year, the world is engaged in a conflict which involves all five continents. Humanity is in the throes of a crisis without precedent. It would be futile to seek comfort in a blind optimism. We must place our faith in Providence hoping that these days of trial may be shortened and that we may be given the strength fully to discharge our duty.

Your Investments

What We Do:

1. Give information on Canadian securities to Financial Post subscribers.
2. Publish anonymously letters of general interest.
3. Supply facts rather than opinions.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on foreign securities.
3. Reply by telephone or telegraph.
4. Select list of securities; express opinions; or make forecasts.

Three-cent stamp and address label from subscriber's copy of The Financial Post must be enclosed. Address letters to The Financial Post, 481 University Ave., Toronto 2.

International Petroleum

In your opinion, will the war with Japan have any marked influence on the earnings, etc., of International Petroleum?

At present is is hard to see where the war with Japan is going to alter the position of International Petroleum Co. It is conceivable that it may provide another hazard for transport, but so far this has not been in evidence. On the other hand, it appears as though it is going to mean an accelerated demand for petroleum products of all kinds. This would indicate continuance of the trend which became evident last year toward increased output and sales from the various fields which International Petroleum is interested in in South America.

Particularly is this true in Venezuela where it appears that this company's best chance for maintaining or increasing its crude oil output lies. In its other fields of Peru and Colombia it appears as though chances for further increases are limited. For 1941 The Financial Post is told that International Petroleum Co. will likely show better earnings than it did in 1940 and may report upward of $1.20 to $1.25 a share.

This is largely due to improved demand for oil which has offset the initial disruption of former markets which was experienced in the early stages of the war. The company has reduced its dividend rate substantially and now appears to have it on a basis where it can be earned, assuming that operations continue on the scale of the past couple of years.

Photo Engravers

Will you give me a review of the position of Photo Engravers & Electrotypers Ltd. from the investment standpoint? Where does the company get its business and what is its financial position?

Photo Engravers & Electrotypers Ltd. has one major job in the form of a contract to do the Robert Simpson Co's art work, engraving and printing. Early in 1931 the company made a ten-year contract for this work, which expired in March last year but is being continued on a yearly basis. The company's plant is in the Simpson mail order building in Toronto. How much of its total business this contract provides is not known, but it is quite substantial.

Volume of business in the early months of the year which ends Feb. 28, 1942, was well in advance of the corresponding period of last year but heavier taxes resulted in a lower net profit. Reduced capital expenditures are expected to re-establish the company's liquid position which showed cash down about $50,000 last year.

The company has a strong financial position with working capital of over $400,000 and substantial bond investments carried. It has a good earnings record although for the year ended Feb. 28, 1941 it reported $1.49 a share on its common compared with $1.69 the previous year. Higher taxes accounted for almost all of the decline. Regular $1 a share dividends are paid. The company's shares are listed on the Toronto Stock Exchange but not actively traded.

Massey-Harris

Can you explain the recent drop in value of Massey common shares? I would also appreciate a word or two on the prospects for company earnings and common dividends.

Shareholders of Massey-Harris Co. in November voted approval of a plan of recapitalization whereby holders of present common shares would get one share for each two shares now held. Coupled with general stock market weakness resulting from the Japanese war, this probably has accounted for much of the decline in price of this stock. Currently the company is exceedingly busy and there is a likelihood that the net earnings for 1941 will be considerably better than in 1940. Carrying out considerable war work, it should continue to be busy at least for the duration of the war.

Export markets have been somewhat upset. This trade was important and before the war the company sold roughly one third of its output in Empire countries and South America. Now it is dependent upon business in Canada and the United States. It also, of course, had investments in Europe which have been written off its books. Officials tell us that they expect several years of relatively good operations and feel that the end of the war would not end their prosperity as they see a need for rebuilding farm equipment in many parts of the world and a new demand for any surplus foods that may exist. Although the recapitalization, which still has to be given court approval, may have brought appreciably nearer a time when the common shares might get a dividend, it is still not thought that any action along this line is likely in the near future.

Detroit International Bridge

What information can you give me on the current position and outlook for shares of Detroit International Bridge?

Detroit International Bridge Co. will pay the first dividend on its new common stock of 25 cents per share, on Jan. 24, 1942, to shareholders of record Jan. 3, 1942.

This stock was exchanged in 1940 for securities of the bridge company in accordance with reorganization plan approved in 1939. According to that plan the holder of $1,000 first mortgage bond received 16 shares, the holder of each $1,000 of debentures received two shares of common stock, while holders of preferred and common stock in the old company received warrants to purchase the new common stock at $12 per share.

Although operations in the past two years have been adversely influenced by the war, exchange restrictions, and the decrease in tourist trade, the thorough-going nature of the reorganization has permitted the company to resume dividends as per that above. Figures for 1941 earnings are not as yet available, but it is anticipated that some improvement will be shown over the $14,817 earned in 1940.

Further improvement will, of course, depend on the resumption of more normal traffic relations between Canada and the United States. The outlook for this has not been improved, of course, by the restrictions on rubber and new car building.

Company Reports

Montreal Telegraph

Montreal Telegraph Co.'s financial statement for 1941 shows revenue on practically the same basis as in 1940—$168,047. In order to provide for increased taxes, it was necessary for the company to reduce the quarterly dividend from 55 cents to 43 cents a share. Despite the reduction, there was a deficit on the revenue account after dividends of $266. This compares with $1,333 the year before.

In his report to the shareholders, Henry E. Rawlings, president, states in respect to the reduction of dividends that:

"In order to provide sufficient reserve for payment of federal corporation income tax and increased excess profits taxes totalling 40%, retroactive to Jan. 1, 1941, and also, in accordance with instructions of the Foreign Exchange Control Board, an additional amount of $5,610 distributed in dividends during 1940 in excess of our current earnings prior to being apprised that the excess profits tax enacted during 1940 was retroactive to Jan. 1 of that year.

"The view taken by the province of Quebec against the judgment dismissing the suit in the amount of $38,375 for taxes against your company has not yet come before the courts, but is expected to be heard early this year."

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Revenue	168,047	168,010
L[illegible] Dividends	98,000	125,000
T[illegible] reserve	62,000	35,000
Expenses	8,413	9,333
Deficit	366	1,323
Previous surplus	40,384	53,568
Add: Uncl. dvds.	4	5
Less: 1941 inc. tax	1,053	11,865
Surplus forward	38,968	40,385

Burry Biscuit

Increase of 15% in sales was reported for the year ended Oct. 25, 1941 by Burry Biscuit Corp., Elizabeth, N.J., which had the effect of cutting losses on the year to $54,503, compared with $264,882 the year before.

Pursuit of a vigorous policy of marketing branded items is reported by George W. Burry, president, and in the course of the year the company has more firmly entrenched its products in old territories as well as developing new.

Rising costs due to war are retarding the return to profit it is stated, but the prospect for the coming year is said to be encouraging.

Income and Surplus Account
Years Ended

	Oct. 25 1941	Oct. 26 1940
	$	$
Net sales	2,775,077	2,403,122
Less: Cost goods sold	2,150,742	1,912,522
Selling & gen. exp.	648,188	736,337
Operating loss	23,853	245,737
Add: Cash disc. allow.	20,292	18,351
Moving exp. amort.	7,000	7,053
Loss on fixed assets	2,596	551
Interest, etc.	3,872	2,999
Less: Discount rec.	2,645	9,365
Misc. income	465	448
Net loss	54,503	264,882
Add: Prev. deficit	177,002	*87,880
Deficit forward	231,505	177,002
*Surplus.		
Working Capital		
Current assets	362,285	323,760
Current liabilities	276,917	265,964
	85,368	57,796

Central Canada Loan

Minor drop in net profits is reported by Central Canada Loan & Savings Co., Toronto, for 1941. Profits remained above the rate of dividends paid, $8 per share. President G. A. Morrow states that the assets stand in the books at well within their present market values.

Central Canada Loan & Savings has for a number of years operated as an investment trust, holding controlling interest in the Canada Life Assurance Co., together with shares in National Trust Co., the Canadian Bank of Commerce, the Western Assurance Co. and the Canadian Real Estate Co.

Income and Surplus Account
Years Ended Dec. 31

	1941	1940
	$	$
Net profit for year	202,607	203,944
Less: Dividends	200,000	200,000
Surplus for year	2,607	3,944
Add: Prev. surplus	199,787	195,843
Surplus forward	402,394	199,787
Earned per Share	$8.10	$8.16
Paid	8.00	8.00
Assets		
Liquid assets	4,656,319	4,645,661
Mortgages & int.	94,072	96,679
Other net assets	52,003	57,448

Canadian Car

Canadian Car & Foundry closed the best year, from the standpoint of operating profits, since 1930 on Sept. 30 last. Operating profits of $2.4 millions compare with $1.4 million for the preceding year. After all charges, including income taxes and depreciation, net profits were equivalent to $2.51 a share on the preferred stock against $1.69 a share for the year ended Sept. 30, 1940. Dividends of $1.32 a share were paid on the preferred last year. Arrears of $5.96 a share remain on this stock.

During the past year, the company redeemed and cancelled 3,115 preferred shares, leaving 280,000 shares outstanding.

Balance sheet as at Sept. 30 last shows important changes from a year ago. Cash of $4.9 millions is up $4.4 millions from a year earlier. The major part of this change is due to inclusion of just over $4 millions received in connection with the award of about $6 millions to the company's U. S. agency by the Mixed Claims Commission. This is after deducting $1.9 million for U. S. taxes and provision for all known liabilities in this connection.

Income and Surplus Account
Years Ended Sept. 30

	1941	1940
	$	$
Oper. profit	2,356,435	1,443,949
Less: Directors' fees	8,991	8,836
Exec. salaries	114,535	86,783
Legal fees	6,202	6,836
Net oper. profit	2,226,707	1,341,494
Add: Other income	68,052	61,309
Total income	2,294,759	1,402,803
Less: Depreciation	992,873	660,223
Prov. inc. taxes	600,000	265,000
Net profit	701,886	477,580
Less: Pref. div. paid	369,600	nil
Surplus for year	332,286	477,580
Add: Prev. surplus	3,265,901	2,788,321
Less: Adj. re. deprec.	60,196	......
Add: Agency paymt.*	4,026,914	......
Surplus forward	7,564,905	3,265,901

*Net recovery to date from award to agency of Canadian Car & Foundry Co., after making provision for United States taxes in the amount of $1.9 million, and providing for all known liabilities for fees and expenses.

	1941	1940
Earned per share:		
Preferred	$2.51	$1.69
Paid	1.32	nil
Common	$0.58	*$0.04
* Deficit.		
Shares o/s:		
Preferred, $25 par	280,000	283,115
Common, n.p.v.	365,800	365,800
Working Capital		
	1941	1940
Current assets	22,746,159	8,679,668
Current liabilities	14,883,540	6,325,684
Working capital	7,862,619	2,353,984
Balance Sheet Changes		
	1941	1940
	$	$
Cash	4,916,755	504,389
Dominion bonds	74,062	......
Inventories	9,904,251	4,629,724
Accts. rec., less res.	7,851,091	3,545,555
Bank loans	5,390,400	3,083,000
Accts. payable	6,402,844	2,766,173
Tax provision	2,967,095	476,511
Unreal. exch. diff.	384,018	......

Kelvinator

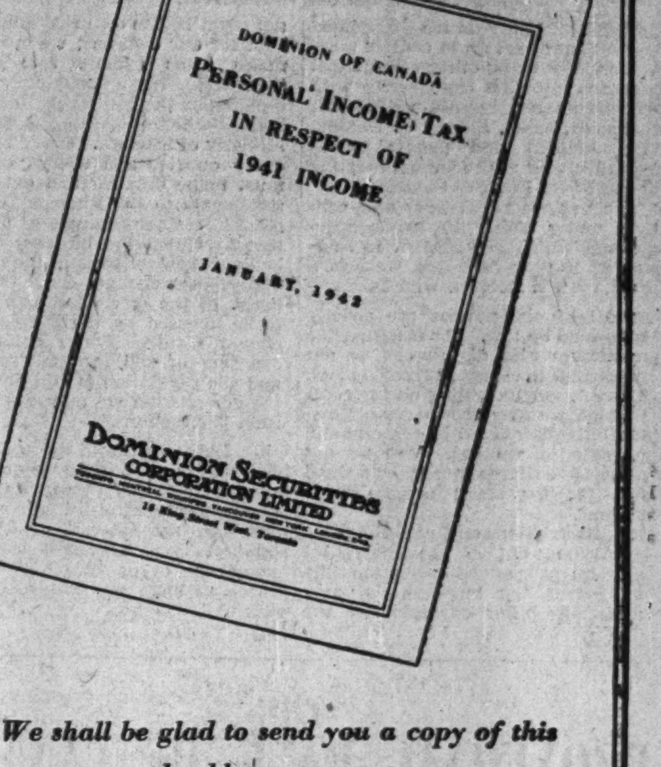
A "very marked increase" in sales of all products is reported by Kelvinator of Canada for the year ended Sept. 30, 1941. Net profits, however, are equivalent to $1.20 a share compared with $1.66 a share for 1940. The dividend ordinarily paid about the end of the year was deferred because of the uncertain outlook and need for working capital.

During the year the deferred loan from Nash-Kelvinator Corp. was reduced from $340,000 to $290,000.

Consol. Income and Surplus Account
Years Ended Sept. 30

	1941	1940
	$	$
Gross profit	658,500	696,307
Add: Other income	*577	1,507
Less: Expenses	186,546	212,062
Salaries	30,425	26,380
Directors' fees	......	400
Legal fees	399	*262
Depreciation	19,629	17,232
Int. on deferred loan	15,600	18,375
Income taxes	240,000	214,150
Kelvinator (Eng.) loss	45,000	43,333
Net profit	120,323	165,620
Less: Dividends	75,000	100,000
Surplus for year	45,323	65,620
Add: Prev. surplus	437,434	371,814
Earned surplus fwd.	482,757	437,434
*Loss.		
Earned per Share	$1.20	$1.66
Paid	0.75	1.00
Shares o/s, n.p.v.	100,000	100,000
Working Capital		
	$	$
Current assets	938,251	716,756
Current liabilities	399,542	234,651
Working capital	538,709	482,105

J. P. LANGLEY & CO.
C. P. Roberts, F.C.A., W. F. Houston, A.C.A.
CHARTERED ACCOUNTANTS
TORONTO KIRKLAND LAKE


DOMINION OF CANADA
PERSONAL INCOME TAX IN RESPECT OF 1941 INCOME
JANUARY, 1942
DOMINION SECURITIES CORPORATION LIMITED
15 King Street West, Toronto

We shall be glad to send you a copy of this booklet on request

DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

COMPETENT AND CONTINUOUS ADMINISTRATION

of your estate is assured when you name this company as your executor or trustee. Individuals die, resign and too often prove incompetent, but our perpetual life and expert service insures wise administration.

We will be glad to serve you in any capacity of trust.

MONTREAL TRUST COMPANY
Montreal Trust Building
61 Yonge Street Toronto
J. F. HOBKIRK, Manager

"THIS IS NO TIME TO WASTE TIME"
... Eddie Rickenbacker

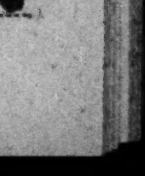
"No time to waste time"—in transportation, the factory, the office, or the mails ... Production is often paced by paperwork. Wasted motions and lost time in the office may multiply man hours in the shop ... This is the "must" period for the Postage Meter, which saves effort and time, makes mailing move faster in **your office**, helps mail move faster in the **postoffice** ... The Postage Meter:

- prints postage as needed, for any kind of mail or parcel post.
- seals envelopes at the same time.
- saves stamp handling, sticking and counting; and protects postage from loss or theft.
- automatically accounts for postage.
- prints postmarks with postage, saving two post-office operations, permitting earlier departures.

Models for any business, big or little. Ask our nearest office for a demonstration in your office —right away!

The Canadian Postage Meters & Machines Company Limited
181 King St. West, Toronto
Branches: Montreal, Winnipeg, Vancouver
Agencies in Principal Cities
Consult Your Telephone Directory

The Canadian Postage Meters & Machines Co. Ltd.,
181 King St. West, Toronto.
☐ Mail me "Common Mistakes in Mail Handling"
☐ When may we have a demonstration?
Name ....
Company ....
Address ....



Rigid Control Familiar To Canadian Bankers

From Our Own Correspondent

MONTREAL. — Much discussed war measures set up to control business merely bring other commercial concerns into line temporarily with the permanent regulations of the chartered banks, Sidney G. Dobson, vice-president and general manager, declared at the annual meeting of the Royal Bank of Canada.

The various regulations and controls under which the banks operate and which are subject to revision at 10-year intervals, were outlined by Mr. Dobson, who said:

"All of our powers are strictly regulated by law. For instance, the maximum rate of interest we are permitted to charge is fixed by law. There is even a ceiling on the commission we may charge for collecting bills discounted in one city and payable in another. We are not allowed to charge more than a fixed flat fee for small casual transactions.

Restrictions on Operations

"Arising out of the Bank Act are many restrictions upon the nature of the business we may undertake. For example, we are not permitted to own real estate except for our own use; we must not make loans against real estate securities. We are subject to inspection by the Inspector General of banks, who reports direct to the Minister of Finance. Every month, every quarter and every year we must make detailed and extensive statements to the Finance Department. Another example of the extent to which the business of the banks is controlled is in the matter of foreign exchange. Since the outbreak of the war we are required to be licensed by the Foreign Exchange Control Board before we can buy or sell foreign exchange and the regulation is laid down on the commission we may charge on such transactions."

Mr. Dobson stressed the point that his remarks were in no way critical, but merely to show that what is revolutionary control of other businesses in the interest of wartime stability, is part of the everyday experience of banks. As he said: "Price ceilings are not a novelty with us."

THE PROVINCIAL BANK OF CANADA

41st ANNUAL MEETING HELD IN MONTREAL THURSDAY, JANUARY 8th, 1942

Mr. Chs. A. Roy, President, reviews business trends

Probable effects of certain new Government Regulations

Analysis of annual statement and comments by the General Manager, Mr. J. U. Boyer

PRESIDENT'S ADDRESS

Dislocation of normal business operations due to war restrictions and to establishment of price and wage ceilings was referred to by the President, Charles A. Roy, in his address to the shareholders.

"Our country," he said, "is making a very heavy contribution to the war effort, and in the employment of all our energies and resources to the completion of this task, certain limitations may be placed on our normal actions, which often times may prove unpleasant and irksome, but which should be borne with fortitude because the issues at stake are all important."

The Government's war expenditures in 1941, Mr. Roy stated, increased enormously because of the expansion of the war programme for defence and assistance to Great Britain, due to the intensification, last year, of the war and this expansion has brought many changes in the economic life of that country. Appropriations of large sums for the construction and the maintenance of new plants and the transformation of others to the manufacture of war equipment and supplies has added considerably to industrial activity and general trade.

"These growing operations," the president said, "gave increased employment and with a greater purchasing power on the part of the laboring classes there was freer spending and a general improvement in retail trade. Consumers' goods became higher in price."

Mr. Roy referred to widely increased production in many industries in order to meet the demands of war; pointed to Canada's large and growing favourable balance of trade with Great Britain and, on the other hand to the heavy adverse trade balance with the United States which raised a difficult problem in the providing of funds to meet the payments.

"In the agricultural field," he said, "a marked change has taken place. Prices have increased sharply and the demand has been great for all products of the farm and the field."

Dealing with government regulation of business the president pointed out that the many regulations have now transformed business and economic life into a complex structure. "The fundamental principle of supply and demand," he said, "has been largely cast aside in the setting up of these regulations." Dealing further with controls he expressed the hope that, as the measures are likely to have different reactions on certain businesses and industries, the policies will doubtless be made sufficiently flexible to allow for the necessary changes as the occasion demands.

Mr. Roy pointed out that price fixing and wage freezing led to rationing and that diversion of supplies ordinarily manufactured for peace time needs will result in a reduction of retail sales and some hardships to business enterprises. Further, he said, to produce the weapons of war on a wide scale, concentration of power and the mobilization of national effort into huge organizations is in the light of circumstances probably one of necessity. While this is taking place, the small industry and business are subject to the danger of being unable to carry on unless some appropriate measures are applied.

In referring to these hardships, however, the president said:

"In the present emergency our Government is seeking added strength through co-operation, and in this great moment, it is the duty of all to waive, to some extent, personal considerations and contribute wholeheartedly to the needs of the country."

GENERAL MANAGER'S COMMENTS

In his address to the meeting, J. Ubald Boyer, the general manager, reviewed the operations of the Bank during the past year and reported a period of progress.

Total assets he pointed out had reached the level of $60,880,000 on November 29, last, which represents an increase of approximately $5,000,000 over last year.

A strong liquid position has been maintained throughout the year. Cash on hand and other readily realizable assets amount to $40,900,342 which is equivalent to the high percentage of 73% of liabilities to the public.

Cash on hand including deposits with and notes of the Bank of Canada stand at the high figure of $11,310,188.

Investment securities amount to $26,471,103 and show an increase of $4,300,000 compared with last year. Federal and provincial government securities were $5,700,000 higher while municipal securities were reduced by $1,700,000 and other bonds and debentures increased by $300,000.

The security market having shown little activity, call loans amounting to $2,989,136 show a decrease of approximately $500,000.

Deposits which had decreased somewhat in 1940, were higher in 1941 Mr. Boyer stated. Total deposits stand at $53,151,349 indicating an increase of nearly $5,000,000 as compared with the previous year. This increase took place to the extent of $2,455,000 in non-interest bearing deposits and $2,358,000 in savings deposits, notwithstanding subscriptions by the public to the Victory Loan and to War Savings Certificates during the year.

Pointing to the fact that profits during the past year had been maintained, Mr. Boyer said: "The result of operations is considered very satisfactory by your Board of Directors considering the gradual increase in operating costs as well as the increase in taxes of all kinds which are now very high.

"The financial market," Mr. Boyer continues, "is presently dominated by Federal government financing in order to carry on the war programme which has been deliberately extended during the year. The rate of interest on high-grade securities has remained very low.

"As war needs are increasing steadily," he said, "the federal government requires enormous revenues to carry out its programme and as in the past, these revenues will be derived from the collection of taxes and through borrowing. In order to respond to calls being made by the government, it is incumbent upon every one to save more, to set aside a larger portion of his income for the payment of taxes and to lend much more to the government. The loyal assistance and co-operation of each and every one will ensure the success of the common cause."

No new branches were opened during the year. The Sackville branch in New Brunswick was closed and the Clarence Creek, Ont., branch was converted into a sub-agency. The bank now has 137 branches and 181 sub-agencies in operation in the provinces of Ontario, Quebec, New Brunswick and Prince Edward Island.

ELECTION OF THE BOARD OF DIRECTORS

The Shareholders, having heard the report of the Commissioner Censors of the Bank and completed the usual formalities, then proceeded to the election of the Board of Directors which is now as follows: Mr. J. L. Codère, Hon. Senator Louis Côté, K.C., Mr. C. G. de Tonnancour, Hon. Raoul O. Grothé, M.L.C., Mr. Alfred Lambert, Mr. Alfred E. Marois, B.Sc.A., C.L., Mr. Jean Rolland, Mr. Chas. A. Roy and Mr. Geo. A. Savoy.

The Council of Commissioner Censors for the current year was also elected and is now composed of Hon. E. L. Patenaude, P.C., K.C., Mr. Cecil L. Carsley, Mr. Narcisse Ducharme, Hon. Senator J. Ant. Léger, Mr. Victor Morin, N.P. and Mr. M. J. Pettigrew.

At a special meeting of the Board of Directors held immediately after the General Meeting of Shareholders, Mr. Chas. A. Roy was re-elected President and Messrs. Jean Rolland and Geo. A. Savoy were elected vice-presidents.

At a meeting of the Council of Commissioner Censors held simultaneously Hon. E. L. Patenaude, P.C., K.C., was re-elected president and Mr. Cecil L. Carsley, vice-president.

Banking

Public Savings Mount As Incomes Rise

Savings Deposits in Chartered Banks Top Previous Year's Levels Recovering Most of June Drop — Current Loans Also Higher

Features of the statement of the Canadian chartered banks to the Minister of Finance as at Nov. 30 compared with a year ago are:

An increase of $13.3 millions in savings deposits.

A rise of $107 millions in current loans.

Expansion of $177 millions in investments.

The increase in savings deposits is especially noteworthy, marking total recovery of $172 millions from the low point of $1,466 millions reached last June, when the war loan was being paid for.

Fell $228 Millions

In that month, savings deposits fell $228 millions, as people invested money in war bonds. Since then, with incomes far above pre-war levels, investors have been able to rebuild their savings accounts to within $56 millions of the pre-loan level. Each month since June there has been a substantial increase over the previous month. The gain in November over October was $47 millions. If the present pace of expansion in savings is maintained, by February, when the next war loan is due, the June decline should be entirely made up. By that time also deposits should be at least equal to the record peak of $1,750 millions reached in January 1940. The month under review is the first to show a gain over the previous year since last May.

Demand deposits on Nov. 30 were higher in both monthly and yearly comparisons, reflecting the activity in trade and industry.

Dominion Government deposits at $161 millions were down $59 millions for the month but up $65 millions for the year. These reached a high point of $560 millions in June, after the war loan, but have since been steadily dropping as the government's war expenditures mount. Provincial government deposits are also declining and in November fell $3.6 millions being down $12.7 millions from a year ago.

Current Loans

The rise of $107 millions in current loans reflects the increased demand from business for credit. Compared with the previous month, however, a decline of $18 millions is seen. This is the result in part of some industrial companies paying off loans as the end of the fiscal year approaches so they can make a more liquid showing in their annual statements. It also probably reflects the repayment of wheat loans. The total volume of wheat loans is expected by some to show a decline in coming months owing to the small crop harvested in 1941. As stocks of grain in storage move into consumption or for export, the total quantity financed by bank loans is expected to decline.

Generally the trend of current loans in recent months, apart from October, has been downward. Apart from seasonal influences and factors such as the short wheat crop, a factor noted by bankers as tending to restrict commercial loans is the large cash reserve accumulated by many industrial companies in recent years. With interest rates on investments low, these companies find it more profitable to use their own money in their business than to borrow from the banks.

Call loans in Canada at $35 millions are lower in both monthly and yearly comparisons, the result of the low volume of business in the speculative markets.

The Financial Post Credit Index which is the ratio of current and call loans in Canada to demand and savings deposits in Canada was down over two points on the month but fractionally higher on the year.

Investments

Investments of the banks at almost $1.7 billions were up $46 millions on the month and $177 millions on the year. The increases were mainly in Dominion government issues. Investments continue to absorb a larger percentage of the assets of the banks, the total amount being about 25% greater than loans. This tendency for the greater proportion of bank assets to be placed in investments rather than in loans has been noticeable for some years now.

The cash position of the banks has continued strong with holdings higher than a year ago. The outstanding note issue of the chartered banks was lower both on the month and on the year.

Use of Bank Credits in Canada
(In Millions of Dollars)

	November 1941	October 1941	Change	November 1940	Change
Loans	1,253.8	1,270.5	—16.7	1,169.0	+84.8
Investments	1,689.6	1,642.9	+46.7	1,512.5	+177.1
Total	2,943.4	2,913.4	+30.0	2,681.5	+261.9
Deposits	2,819.4	*2,727.2	+92.2	2,588.4	+231.0
Credit index*	41.3%	43.4%	—2.1%	41.0%	+0.3%

*Ratio of current and call loans in Canada to demand and savings deposits in Canada.

ASSETS

	November 1941 $	October 1941 $	Change $	November 1940 $	Change $
Immediately Available Liquid Assets					
Canadian coin	6,465,853	6,441,246	+24,607	6,189,832	+276,021
Bk. of Can. notes	88,406,759	86,421,782	+1,984,977	75,844,824	+12,561,935
Bk of Can. depos.	247,104,634	231,791,351	+15,313,283	231,193,497	+15,911,137
Bank's cash	341,977,246	324,654,379	+17,322,867	313,228,153	+28,749,093
Other bank's notes	2,754,936	2,238,302	+516,634	3,167,612	—412,676
Gold, sub. coin abd.	2,968,184	2,996,265	—28,081	3,686,863	—718,679
Foreign banks	188,338,084	202,255,046	—13,916,962	191,600,345	—3,262,261
Foreign curr.	33,612,381	33,721,038	—108,657	27,651,818	+5,960,563
Gov. sec. short term	750,762,865	724,178,018	+26,584,847	699,667,085	+51,095,780
Do., long term	697,787,472	682,842,925	+14,944,547	578,965,611	+118,821,861
Call loans aboard	42,399,307	45,653,550	—3,254,243	35,324,392	+7,074,915
	2,060,600,475	2,018,539,523	+42,060,952	1,853,291,879	+207,308,596
Loans and Securities Other Than Those of Canadian Government					
Municipal secs.	79,875,327	81,113,066	—1,237,739	91,019,735	—11,144,408
Public secs.♦	70,829,544	63,887,821	+6,941,723	43,979,296	+26,850,248
Other secs.	90,388,615	90,847,543	—458,928	98,824,940	—8,436,325
Can. call loans	35,613,383	37,432,281	—1,818,898	41,310,618	—5,697,235
Current loans	1,128,629,395	1,146,857,168	—18,227,773	1,021,276,282	+107,353,113
Loans abroad	127,762,390	131,919,945	—4,157,555	127,579,727	+182,663
Prov. loans	14,219,233	8,392,059	+5,827,174	13,805,251	+413,982
Mun. loans	75,384,511	77,826,714	—2,442,203	92,622,309	—17,237,798
	1,622,702,398	1,638,276,597	—15,574,199	1,530,418,158	+92,284,240
Other Assets					
Non-current loans.	4,841,197	5,165,942	—324,745	6,115,095	—1,273,898
Real estate	6,576,034	6,799,388	—223,354	7,322,976	—746,942
Mortgages	3,406,359	3,415,058	—8,708	3,597,366	—191,016
Premises	69,300,024	69,900,628	—600,604	70,393,647	—1,193,623
Letters of credit	121,427,206	112,278,929	+9,148,277	67,293,296	+54,133,910
Loans to comp.	11,122,340	10,658,644	+463,696	11,415,563	—293,223
Other assets	1,886,897	1,889,559	—2,662	1,859,029	+27,868
	218,560,048	210,108,148	+8,451,900	168,096,972	+50,463,076
Total	3,901,862,921	3,866,924,268	+34,938,653	3,551,807,009	+350,055,912
Note circ. dep.	4,488,322	4,485,721	+2,601	4,829,171	—340,849
Int. bank bal.	154,757,268	159,982,421	—5,225,153	125,390,398	+29,366,870
Gross	4,061,108,511	4,031,392,410	+29,716,101	3,682,026,578	+379,081,933

LIABILITIES

	November 1941 $	October 1941 $	Change $	November 1940 $	Change $
To the Public					
Circulation	79,200,600	82,243,767	—3,043,167	90,903,096	—11,702,496
Dom. Govt.	160,920,801	220,296,198	—59,375,397	95,649,754	+65,271,047
Prov. Govt.	60,757,746	64,455,854	—3,698,108	73,497,553	—12,739,807
Deposits by Public					
Demand dep.	1,180,230,578	1,135,522,582	+44,707,996	962,492,339	+217,738,239
Savings dep.	1,639,201,355	1,591,700,076	+47,501,279	1,625,878,423	+13,322,932
Total	2,819,431,933	2,727,222,658	+92,209,275	2,588,370,762	+231,061,171
Foreign dep.	453,688,616	460,130,348	—6,441,732	398,783,923	+54,904,693
Due to Banks Abroad, Etc.					
United Kingdom	18,264,063	19,635,511	—1,371,448	26,265,133	—8,001,070
Foreign	20,184,479	28,948,220	+1,236,259	26,842,630	+3,341,849
Bills payable	6,606	....	+6,606	43,013	—36,407
Letters of credit	121,427,206	112,278,929	+9,148,277	67,293,296	+54,133,910
Other liabs.	7,305,703	6,150,008	+1,155,695	5,643,289	+1,662,414
Total pub. liabs.	3,751,187,753	3,721,361,493	+29,826,260	3,373,292,449	+377,895,304
Due bet. banks	11,550,328	13,876,810	—2,326,482	11,533,021	+17,307
Liability to Shareholders					
Dividends	2,280,835	2,799,717	—518,852	2,263,055	+17,810
Reserve	134,750,000	133,750,000	+1,000,000	133,750,000	+1,000,000
Capital	145,500,000	145,500,000	......	145,500,000	......
Gross	4,045,268,946	4,017,288,020	+27,980,926	3,666,338,525	+378,930,421

♦Other than Canadian.

Increase Shown In Bank Debits

Volume of money transferred by cheque in Canada, in November, at $3.4 billions was 12% greater than in the same month of the previous year. The increase, as in previous months, reflected the advance in business conditions and in commodity prices.

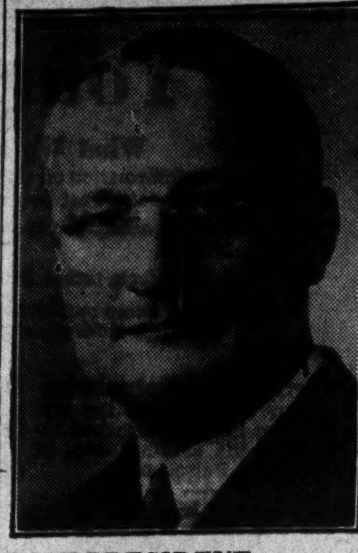
Gains were shown in all economic areas of Canada. Increases per cent were: Maritimes 8.5%, Quebec 17%, Ontario 12.4%, Prairies 4.1% and British Columbia 18%.

For the first 11 months of 1941, bank debits were $35.5 billions, almost 14% above the total for 1940. Increases were shown for this period in all economic areas also.

When comparison is made between the cheque transfers or debits in November compared with October, a decline of 6.3% is seen.

Debits to Individual Accounts
Millions of $

	Nov. 1941	Oct. 1941	Nov. 1940
Maritimes:			
Halifax	50.1	46.2	48.1
Moncton	15.1	15.6	11.9
Saint John	19.9	22.4	18.4
Total	85.2	84.2	78.5
Quebec:			
Montreal	865.6	899.9	725.4
Quebec	88.7	105.5	89.6
Sherbrooke	9.8	10.6	8.9
Total	964.1	1,016.0	823.9
Ontario:			
Brantford	14.4	15.1	12.6
Chatham	12.2	9.8	10.7
Fort William	9.9	9.3	7.1
Hamilton	97.2	102.9	76.3
Kingston	9.2	10.0	7.7
Kitchener	18.8	19.4	14.6
London	40.2	45.3	36.9
Ottawa	337.6	324.9	247.6
Peterborough	9.8	10.8	7.2
St. Catharines	16.8	15.7	....
Sarnia	11.0	10.2	6.6
Sudbury	8.4	8.5	7.5
Toronto	957.0	1,011.9	939.1
Windsor	60.9	66.4	52.7
Total	1,603.5	1,660.5	1,426.8
Prairies:			
Brandon	5.5	5.8	4.2
Calgary	79.8	87.3	73.5
Edmonton	55.9	53.9	53.3
Lethbridge	6.8	6.9	5.7
Medicine Hat	3.8	4.7	3.8
Moose Jaw	10.6	10.3	8.7
Prince Albert	4.5	4.4	3.2
Regina	46.8	55.9	50.3
Saskatoon	15.2	15.4	13.7
Winnipeg	337.6	403.3	327.9
Total	566.7	648.2	544.3
British Columbia:			
New W'minster	10.2	10.7	7.7
Vancouver	164.5	170.7	138.9
Victoria	32.6	36.8	28.9
Total	207.4	218.1	175.6
Total for Can.	3,426.9	3,627.2	3,049.3



VICE-PRESIDENT

Sydney G. Dobson has been elected a vice-president of the Royal Bank of Canada. He has been a director of the bank since 1939 and general manager for the last seven years. His present appointment follows nearly 42 years continuous service with the institution.

Warns Activity Not Prosperity

Beaudry Leman Comments on Country's Position at Bank Meeting

From Our Own Correspondent

MONTREAL.—Many are inclined to mistake activity for prosperity, said Beaudry Leman, president, at the annual meeting of the shareholders of the Banque Canadienne Nationale. No greater delusion, he went on, can be entertained, than the hope that a country or its citizens can secure lasting, material benefits from war, which is waste and destruction of materials, labor and capital.

As the state runs into debt, it appropriates, through taxation, the products of the toil of its nationals, said Mr. Leman. Deficit spending and borrowing has its limits, he added, that are to be found somewhere along the border line separating the total production of the country and the minimum to which consumption may be reduced. Sooner or later, the cost of war must be paid for in toil and self-denial.

It is pointed out the government must resort both to taxation and borrowing to meet the heavy cost of war. This taxation approaching the limit, Mr. Leman says it is to be expected, henceforth greater dependence will be placed on loans.

Comments on Taxation

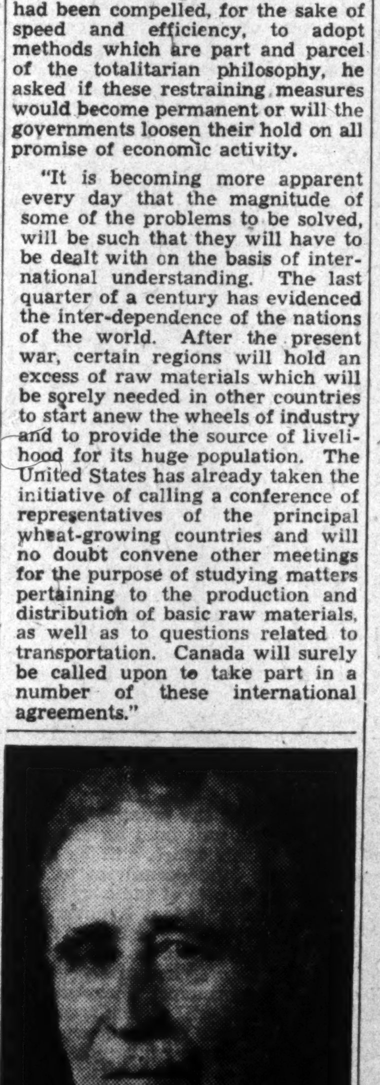
Referring to taxation, Mr. Leman said:

"Excessive taxation is apt to jeopardize the financial stability of many undertakings. Without seeking to restrict Canada's war effort, is it not desirable to keep the future in mind? When hostilities cease, the re-employment, as rapidly as possible, of many hundreds of thousands of men, whose services will become available through demobilization and the closing of munitions and armament factories, will become a problem. This question difficult in all countries, becomes embarrassing in younger countries like Canada, where accumulated capital is relatively small and where the bulk of the population is dependent on its toil, for its livelihood."

Problems of Post-War

Mr. Leman spoke at some length on the matter of post-war problems. After mentioning the democracies had been compelled, for the sake of speed and efficiency, to adopt methods which are part and parcel of the totalitarian philosophy, he asked if these restraining measures would become permanent or will the governments loosen their hold on all promise of economic activity.

"It is becoming more apparent every day that the magnitude of some of the problems to be solved, will be such that they will have to be dealt with on the basis of international understanding. The last quarter of a century has evidenced the inter-dependence of the nations of the world. After the present war, certain regions will hold an excess of raw materials which will be sorely needed in other countries to start anew the wheels of industry and to provide the source of livelihood for its huge population. The United States has already taken the initiative of calling a conference of representatives of the principal wheat-growing countries and will no doubt convene other meetings for the purpose of studying matters pertaining to the production and distribution of basic raw materials, as well as to questions related to transportation. Canada will surely be called upon to take part in a number of these international agreements."



COMMISSIONER CENSOR

Victor Morin has been elected to the council of commissioner censors of the Provincial Bank of Canada. He is president of the Société Nationale de Fiducie and supreme chief ranger of the Independent Order of Foresters. He is a member of the Order of Notaries.

Bank of Canada Assets Lower

A decrease of $37 millions in investments is shown in the Bank of Canada statement for the week ended Jan. 7. Both short and long term government issues contributed to the decline. Miscellaneous assets also were down. These declines more than offset an increase of $25 millions in holdings of sterling and United States exchange reflecting transfers of Canadian dollars to Great Britain, through the Foreign Exchange Control Board. This figure now stands at $225 millions. The net result was that total assets were down $34 millions.

The drop was partly offset on the liabilities side by a decline in deposits of the chartered banks, this being possibly due to the purchase of government securities from the Bank of Canada. Miscellaneous liabilities including cheques issued but not yet cleared were also lower. Dominion Government and other deposits on the other hand were higher.

	Jan. 7 1942 $	Dec. 31 1941 $
Liabilities		
Capital paid-up	5,000,000	5,000,000
Notes in circ.	490,151,285	495,956,232
Rest fund	3,722,910	3,722,910
Depos.: Dominion	93,405,467	73,847,608
Banks	200,392,597	232,031,048
Other	6,562,724	5,970,054
Total deposits	300,360,788	311,848,710
All other liabs.	8,854,115	26,333,714
Total liabs	808,089,097	842,861,566
Assets		
In sterling & U. S.	225,336,160	200,861,156
Subsid. coin	241,853	316,081
Investments:		
Dom. gov. short	365,505,796	391,783,439
Other Dom. gov.	205,630,807	216,688,427
Total invest.	571,136,603	608,471,866
Premises	1,763,910	1,732,242
All other assets	9,510,572	31,480,221
Total assets	808,089,098	842,861,566

DIRECTOR

Alfred E. Marois, of Quebec, has been elected a director of the Provincial Bank of Canada. Mr. Marois, a native of Quebec City, is a civil engineer, having been educated at Laval University and Montreal Polytechnical School. He is vice-president and general manager of A. E. Marois Ltd., shoe manufacturers, Quebec, and on the board of several other Canadian corporations. He is also president of the Shoe Manufacturers Association of Quebec.

Buy War Savings Certificates and War Savings Stamps

Specializing in the production of Securities for Mining Companies

BRITISH AMERICAN BANK NOTE COMPANY LIMITED

The Old Canadian Company

HOWARD W. PILLOW
President

CHARLES G. COWAN
Vice-Pres. & Man.-Dir.

G. HAROLD BURLAND
Sec.-Treas.

HEAD OFFICE - OTTAWA
262 Wellington Street

511 Place d'Armes
MONTREAL

1110 Montreal Trust Bldg.
TORONTO

SAVINGS PASS BOOK

PASSPORT TO SECURITY

Regular saving from your income of today is vitally necessary . . .
—to your future security . . .
—to the security of Canada and her Allies.

Saving Money is Saving Goods

Any of our branches will welcome opportunities of serving you.

The BANK of NOVA SCOTIA

1832 . . . . . (110 YEARS) 1942

DUN & BRADSTREET of CANADA, Limited

The Mercantile Agency

ESTABLISHED 1841

20 Offices in the Dominion

THE ONTARIO LOAN AND DEBENTURE CO

LONDON, CANADA
Established 1870

DEPOSITS ACCEPTED 5-YEAR DEBENTURES ISSUED

Deposits and Debentures (31 Dec., 1940), $12,147,569

"I DON'T SKI IN FEBRUARY —I GOLF"
SKIING IN THE L

SORRY, LADY, THEY FORGOT YOU LIVE IN VICTORIA!

CANADIAN radio audiences don't all live in the same spot. Some live at sea level, some in mile high places. Some live at 50 below zero while others pick flowers a few miles away. They're just beginning breakfast in Lethbridge when Haligonians have already finished lunch.

Time, Temperature and Geography play hob with some radio programmes — but not with those heard over the All-Canada stations!

Through its closely-knit family of individual stations in strategic locations across Canada, All-Canada is able to offer you the best time of day for your particular programme in each time zone. If your commercials need a local slant to make them more effective, you get that, too. And everywhere you find them, you'll find that All-Canada stations are the preferred stations — the high spot on the dial of the prospect you want to sell.

If you want a national spot programme that rings the bell, All-Canada is your answer. And whether you want one locality or all Canada . . . you want ALL-CANADA.

ALL CANADA

ALL-CANADA RADIO FACILITIES Limited

MONTREAL • TORONTO • WINNIPEG • CALGARY • VANCOUVER

Text of Addresses Made at 73rd Annual Meeting of Shareholders of

The Royal Bank of Canada

Morris W. Wilson, President and Managing Director, Hails New Partnership of Canada and the United States. As Chairman of the British War Supply Council Sees Germany Outstripped by Britain and North America in 1942. To Build Bridges of Ships.

CANADIAN EQUIPMENT USED IN EVERY THEATRE OF WAR

Sydney G. Dobson, General Manager, reports assets over one billion dollars with public deposits $152,000,000, higher than at peak of boom era. Commercial loans continue to expand. Profits well maintained.

Indications that business expansion will break all records in 1942.

The Seventy-third Annual General Meeting of the Shareholders was held at the Head Office in Montreal on Thursday, January 8th, at 11 A.M., Mr. Morris W. Wilson in the Chair.

Mr. Wilson, the President and Managing Director, in moving the adoption of the Directors' report said:

PRESIDENT'S ADDRESS

A year ago it was our privilege to have our late Chairman, Sir Herbert S. Holt, with us at the Annual Meeting. To-day, it is my sad duty to refer to his death, which, as you know, occurred on September 28th.

Sir Herbert first became associated with the bank of 1905, when he was appointed a Director. He became Vice-President two years later, and President in 1908. At that time, the bank was relatively small, with only 107 branches. When he relinquished the Presidency in 1934, the bank was represented by nearly 800 branches in all parts of the Dominion, and in the West Indies and South America. Total assets increased during his Presidency from under fifty million dollars to over one billion, and the number of shareholders from 800 to 12,000.

Sir Herbert's career was linked with the most picturesque period in the history of Canada, and he was unquestionably one of the outstanding figures of his time. He left the mark of his energy, foresight, and courage on many of the leading enterprises of the country. To us in the bank he was always a wise counsellor, and in his passing we feel we have lost a tried and true friend.

The seventy-second Annual Report and Balance Sheet just presented to you by the General Manager will, I am sure, be received by you with satisfaction. It discloses a strong position, despite the difficulties occasioned by the war, and it indicates continued ability to play our full part in financing the wartime requirements of our customers and the Government.

INDUSTRY'S FINE RECORD.

To-day our thoughts are still preoccupied by war. In the nature of things, the war must be uppermost in our minds because it affects us so intimately in our private lives and in our everyday activities. In recent weeks it has drawn very close to our shores.

This emergency has called to the surface the ability and the determination of our people. One of the revelations of this war has been the capacity of Canadian industry to expand, build and reorganize, without disruption, into a heavy hitting weapon of war.

Two years ago we were incapable of outfitting an infantry division; to-day our industries can equip a new division every six weeks. We are making tanks, guns, planes, ammunition, ships and mechanical transport. Canadian equipment is being used in every area of war.

Up to September 30th last year there had been placed in Canada war orders totalling two billion, five hundred and seventy-eight million dollars. In the first two years of war we provided Great Britain with food valued at $443 million, and in this third year we have scheduled shipments worth $310 million. The steel industry is producing at a rate 65 per cent. higher than the 1935-38 average. The aluminum industry has expanded to the point where it can supply the needs of Canada's war production, and Great Britain's, and then undertake to furnish 750 million pounds during the next two years to the United States.

It is significant that our extraordinary industrial expansion should have taken place with so great cooperation between Capital and Labour. In the first six months of 1941 there was a time loss per thousand workers of only 54 working days, compared with 41 in Britain and 381 in the United States.

LABOUR ARMY BEING TRAINED.

In addition to its good production record, industry has been setting up plant schools to train women and youths to take the places vacated by men joining the forces, and to provide for further expansion. The 40,000 thus trained have been added to 41,500 trained in technical schools, to provide an industrial army which is bearing an important load in Canada's prosecution of the war.

The index of industrial production has risen from 109 in August 1939 to 157 in October 1941, against an average of only 56 in 1919.

The point of full employment has, for all practical purposes, been reached, and now we must face those problems of reallocation of manpower which I forecast last year as a then-coming necessity.

Our ability to fight and win this war depends not only upon the mass of our resources, but also upon the way these resources are used.

Credit must be given to the Government for the way in which it approached industry, and persuaded manufacturers to go into production of the strange and complicated apparatus of war. Not only did the Government show initiative by organizing on a scale that would have appalled people in ordinary times, but it made available advances of money to build new plants and to expand production. It spread its contracts throughout the country, wherever firms or individuals could be found who were in a position to fill them.

To all of these achievements we are glad to pay tribute, and we are proud of the part your bank has had in working with industry and government to accomplish such results.

CONTROLS CURB INFLATION.

You cannot divert half a million men into the armed services to engage in the most extravagant kind of destruction and consumption of goods, and expect business at home to proceed as usual, or prices to remain as usual. Between the rising purchasing power of men and women steadily employed in producing goods for the armed forces, and the declining volume, of consumers' goods and services, prices are caught in an economic pincers movement.

Failure of the public to realize the urgent nature of the need for economy in spending has led to the imposition of drastic governmental price and wage controls to head off the inflation spiral whose advent would be so disastrous.

With the tragic memory of the inflation of the first World War in mind, thinking people believe that almost any measure would be justified to prevent a repetition. But even the present controls cannot be effective unless the public is persuaded of their necessity.

EVERYONE HAS A PART TO PLAY

Full war effort demands careless spending be avoided

Referring to the need for personal thrift, Mr. Wilson said:

"It would be absurd to expect that in the midst of this colossal diversion of material and man-power we should expect to live as we lived in peace-time. There are not enough idle resources in Canada, and not enough extra man-hours, to enable us to carry the war load and at the same time maintain peace standards of living and pleasure.

"We have reached the point where we must cut down unnecessary consumption, in order to make available for the war effort all the resources possible. Our only limitation must be the health, efficiency and morale of our people.

"We must keep constantly before us the realization that our war effort consists, in a material sense, in things and services: that is, food, raw materials and manufactured products on the one hand, and man-power on the other. To the extent that we use food, raw materials and manufactured products unnecessarily for our personal pleasure, or to maintain a needlessly high standard of living, to that extent do we definitely weaken the war effort. Similarly, as we allow people to minister to our personal pleasure needlessly, we bring about the same results. To express it another way: what you and I demand in the way of material things and personal services cannot at the same time be available for the war effort."

The recent government measures were promulgated at a time when increases in the cost of living, amounting to 14.6 per cent. since the outbreak of war, seemed to indicate that the appropriate time had arrived to impose regulation. This was initiated through the fixing of wages and salaries, and the freezing of prices for goods, services and rents. The experiment, the first of its magnitude in any democratic country, is too recent for us to pass judgment upon. It fact, the nature of the measures is such that no final judgment can be given until the need for the restraint has passed, and the whole structure and the experience of other countries are before us for comparison and study.

However if anyone is inclined to be critical, let him think of how dangerously our present position parallels that of the first Great War. The spiral which started at outbreak of that war resulted in a rise of 100 points in the wholesale price index, from 64 in July 1914 to the high of 164 in May 1920. The increase in the first 25 months of that war was 20 points; in the first 25 months of this war, the index has climbed 21 points. In the face of these facts, it would be difficult to argue that an effort should not be made to control the situation before it gets out of hand.

WAR SAVINGS IMPORTANT.

As an aid in mobilizing all our resources, the War Savings Certificate plan seems to hold great promise. Investment in these certificates at this time postpones purchases of luxury goods until after the war.

We may find it difficult, as businessmen, to understand why it should be necessary for the government to spend so much money, effort, and persuasive powers to obtain investment in War Savings Certificates. With most of the new spending money concentrated in the lower income groups, it would seem the course of wisdom for these groups to restrain their spending. By doing so they would keep down the demand for the dwindling supply of consumer goods, and thereby hold prices down to their own advantage. Any one who is now earning high wages as a result of the war should be able to look ahead 7 years, to anticipate a return of $10 a month for every $8 he saves and invests now.

In this connection I suggest that there is a channel of distribution which might well be invited into the most wholehearted co-operation. Our Canadian Labour Unions are among our greatest realists. For that reason, and because of the great appeal to the instinct of self-preservation which these certificates hold, it seems to me that an earnest approach to the Unions would have good results. Our government could say: "This is your problem before anyone else's. It is your people who will benefit most by taking advantage of the certificate sale. You, as an organization, will be doing your members a good turn by urging them to invest, and you will be making for yourselves and for them a cushion for post-war years or for old age."

CANADA'S SUPPORT OF BRITAIN.

It should be a source of great satisfaction to Canadians that they have been in a position to give such direct and important war support to Great Britain.

We are at war beside Britain for the sake of the liberties which are regarded as vital by all sections of our population. Under these liberties, the privileges of minorities are protected within the framework of democratic government.

Canada is in this war as a comrade-in-arms with Great Britain, sharing the toil and the price. We pay the whole cost of raising, arming and maintaining the Canadian armed forces serving in Canada, Great Britain, Gibraltar, the Far East, the West Indies and Newfoundland. We supply Great Britain with food, textiles, lumber and finished apparatus of war, and we do not demand "cash on the barrel head." Not one dollar of the $250 millions of gold sent to Canada by Great Britain has been used to pay for goods of Canadian origin—it has all been expended in the United States, with much more of our own gold, to cover a part of the cost of raw materials and machinery brought to Canada to produce war goods for British account. From the beginning of the war until March 31st, 1941, we extended credit to Great Britain for war purposes to the extent of $795 million and by March 31st, 1942, $900 million more will have been added. This contribution to the war effort has been made gladly by Canada, bravely and without fanfare.

BIG WAR PROFITS IMPOSSIBLE.

The Canadian Government acts as purchasing agent for many commodities desired by Great Britain, and rigidly guards against speculative price increases. The price paid for bacon, for instance, is below that prevailing at the beginning of the war, production being subsidized by the Canadian Government, and we are shipping more than three times the highest quantity ever shipped in pre-war years. Our sales of base metals and timber to Great Britain are at prices prevailing before the war, and far below current world market prices. Profit margins on war manufacturers are no higher on goods for the United Kingdom than on goods for Canadian account, and you all know how carefully the latter have been regulated by the Government. There has been neither opportunity nor disposition for our producers to make big profits out of this war.

PRICE CONTROL

Government regulation no novelty for banks

On the subject of price control, Mr. Dobson said:

"There has come to industry and business in Canada a new experience, the fixing of prices and the licensing of many of their activities. Some people view with concern the institution of these controls and it seems to me an appropriate time to point out that such licensing and price fixing are commonplace with banks. The much discussed war measures merely bring other commercial concerns into line temporarily with the permanent regulation of the chartered banks.

"Our charters, or licenses if you will, are granted to us by virtue of the Bank Act which comes up for revision at ten-year intervals, at which time the chartered banks are subject to close examination by the Banking Committee of Parliament. All of our powers are strictly regulated by law. For instance, the maximum rate of interest we are permitted to charge is fixed by law. There is even a ceiling on the commission we may charge for collecting a bill discounted in one city and payable in another. We are not allowed to charge more than a fixed flat fee for small casual transactions. Arising out of the Bank Act are many restrictions upon the nature of the business we may undertake. For example, we are not permitted to own real estate except for our own use; we must not make loans against real estate security. We are subject to inspection by the Inspector General of Banks, who reports direct to the Minister of Finance. Every month, every quarter and every year we must make detailed and extensive statements to the Finance Department. Another example of the extent to which the business of the banks is controlled is in the matter of Foreign Exchange. Since the outbreak of the war we are required to be licensed by the Foreign Exchange Control Board before we can buy or sell foreign exchange and the regulations lay down the commission we may charge on such transactions.

"I do not point to these things in any critical way, but merely to show that what is revolutionary control of other businesses in the interests of wartime stability, is part of the every-day experience of banks. Price ceilings are not a novelty with us."

We are aiding in other ways, too. We have 6,000 British children in our homes, and only the decision of the British Government not to risk others in submarine-infested seas prevented 100,000 from entering our wide-open doors. We are housing and guarding thousands of prisoners of war and internees, whose presence in Great Britain was considered a menace.

Within three months of the outbreak of war we started sending troops to help guard the British Isles, and the flow has continued until we now have 110,000 men there, highly mechanized. Our soldiers were in Hong Kong before the Far Eastern storm broke, and helped to hold up the Japanese there for two weeks before they were overwhelmed. Our sailors and airmen have been fighting in all parts of the world these two years, and the Empire air training scheme in Canada is turning out many thousands of air and ground crews a year.

We were first among the nations to declare war on Japan when that misguided country attacked the United States outposts, and we mustered our home troops at once to stand beside our neighbor's men in defence of this continent.

We are not yet satisfied; we are not boastful of our work in the cause of democracy. We are going on to give still more of our effort and substance in this freeman's cause.

CANADA-U.S. CLOSER THAN EVER.

Events of the past few weeks have brought the United States into a new relationship with us, of which Mr. Churchill's visit to these two countries is dramatic evidence. They are now full fledged allies in the gigantic conflict raging throughout the world.

I have been intimately associated with United States leaders in Government and industry since their defence effort began in the spring of 1940. This, with my Canadian contacts, has given me a unique opportunity to observe the close collaboration between our two countries, and between them and Great Britain.

Since the insane action of the Japanese brought the United States into the firing line, that co-operation has intensified. There is a new friendship and sympathy between our countries. Our status has risen steadily as United States Government officials and industrialists realize in their own experience the problems we have been quietly meeting and calmly solving these two years.

Neither country wanted war. We recognize war as a scourge which can bring no good, an economic waste, and an impediment to that steady progress we wish to pursue in the interests of all our people.

In years of peace these two countries have achieved a standard of living which is the highest in the world. When war was forced upon us, however, we accepted the challenge of it, and we are buckling down to it with the same intensity and ability we formerly applied to the business of peace time.

Let me tell you briefly some of the things I have observed which give encouragement because they indicate the weight these two countries can throw against their common foe. They show, too, the determination to spare no effort, to dodge no responsibility, and to sacrifice personal wants to the war needs of the freedom-loving world.

CAN OUTSTRIP GERMANY.

Even Germany, with all its vaunted efficiency, and with forced labor, cannot match the production possibilities of North America added to those developed with such extraordinary efficiency by Great Britain under the impact of war.

There has been some criticism of the slowness in starting war production on this continent. People say: with all our skill and initiative, why have we not produced guns and tanks and airplanes in such quantity as to achieve immediate superiority?

These impatient people should remember that our plants had to be re-tooled from the making of automobiles and refrigerators and radios to the fabrication of engines of war. The tools to make the tools had to be designed and made. Machines had to be specially built, and the plans for them could not be drawn until specifications were available for the job they were to do.

In Canada, the production of machine tools jumped 800 per cent in 1940 over 1939. In one quarter of 1941, we purchased $23 millions worth of machinery and tools to manufacture the implements of war. United States production of machine tools last autumn was 400 per cent above the pre-war high 1929.

Planning and preparation are now largely complete. Apparatus of war is pouring in a steady stream from Canadian and United States workshops. In a few weeks the stream will have become a torrent, and in a few months that torrent will be a flood.

HIGHLIGHTS

Mr. Wilson said:

Our aluminum industry can supply the needs of Canada's war production and Great Britain's, and then undertake to furnish 750,000,000 pounds during the next two years to the United States.

* *

Not one dollar of the $250,000,000 of gold sent to Canada by Great Britain has been used to pay for goods of Canadian origin—it has all been expended in the United States, with much more of our own gold to cover the part of the cost of raw materials and machinery brought to Canada to produce war goods for British account. We do not demand "cash on the barrel head."

* *

United States manufacturers sent to Britain in the first seven months of 1941 nearly twice as many combat planes as were lost in defending the British Isles during the whole of 1940.

* *

In the first nine months of 1941, the United States launched 10 destroyers, placed 12 others in service and laid 57 keels. Freighters are being produced at the rate of three a week, and the pace will be accelerated to an expected maximum of 60 a month by December.

Mr. Dobson said:

We generally regard 1929 as the peak period of the boom years and it is interesting to note that our public deposits are now $152,259,936 higher than on November 30th of that year.

* *

More new deposit accounts have been opened this past year than in any similar period in the history of the bank. We welcome these new accounts because we recognize in them an indication that many of our people are being helped by increased employment to find their footing and save money.

* *

Since the outbreak of war 1052 officers have been granted leave of absence to serve in the armed forces.

In Canada and Newfoundland 40% of our male employees under 30 years of age enlisted. We have assured all these young men, of whom we are justly proud, that positions will be available to them later. I regret exceedingly to report that eight of our young men have given their lives in the country's service. We extend to their relatives our sincere sympathy.

We have raised our sights in both countries, and every month we are bringing new production batteries into action. Canada's war expenditure in this fiscal year alone is estimated at two billion, 820 million dollars, which is more than twice as much as our total expenditure in all of the last war. The United States has already doubled its entire expenditure during the first Great War. In October it had a $66 billion programme: today the aim reaches still more astronomical figures.

Canada's first new war explosive plant was authorized in February 1940, and only nine months later its first shipment was on its way overseas—in time to be used in meeting that winter's blitz on the United Kingdom. Now we have 20 great plants producing explosives and other chemicals.

Big figures are impressive. But I think the real picture of the war effort in both Canada and the United States is seen best in individual achievements. Some of these stories are striking; others are interesting because they show how versatile are our people.

INDUSTRY TRANSFORMED

The radio industry has turned from making sets for homes to building communication systems into planes, tanks and ships. It is producing the radio locators with which our forces detect enemy planes.

The electrical companies have turned their facilities to the making of searchlights, bomb sights, guns, and parts for planes and tanks. In the United States, machine guns are being produced by soap makers, pistols and airplane landing gears by sewing machine manufacturers; a linoleum company makes shells; a shoe plant is working on artillery and a piccolo manufacturer is now using his skill and equipment to bore gun barrels.

Not only is there a changeover to war production, but there is also a speed-up in efficiency. In one Canadian plant an operation specified to be done in 24 hours is being done in 12, and a new machine is being built to do it in 3 hours. In another plant it cost $26 to produce a cast steel part with a life of one thousand miles of service; now a better quality part is being produced at $6 with a guaranteed life of five thousand miles. Canadian workmen developed the machine which punches shell cases, doing away with the old costly boring process. In the United States, an airplane propeller is being bored by newly-designed machine tools, in 20 minutes instead of the 8 hours it used to take. Engineering improvements have added 175 horsepower to the Allison airplane engine.

'BITS AND PIECES' PLAN.

Spare machine shop and maintenance workshop capacity is being used in both countries to make parts of war weapons. One of the great successes in Canada, Great Britain and the United States is this experiment in sub-contracting, or, as it is called here, the "Bits and Pieces Programme." The early war contracts naturally went to the big plants, where there were men and equipment of known capacity. But that was not enough for volume production of thousands of separate items, all needed at once. A census of both countries revealed plants of all kinds and sizes which had machines and men that could be turned to war work. An artillery piece which is assembled near Montreal draws its parts from 63 different workshops. One of these shops is a two car garage, in which the owner, with two helpers and $4,000 worth of machinery, makes two precision parts.

Canada's arsenals are self-multiplying; the yearly production of the plants is now 30 to 50 times what it was in pre-war years, and twice what it was in the summer of 1941.

We cannot keep statistics up to date, because every day shows an acceleration. In October, United States airplane production was nearly halfway to the President's aim of 50,000 a year: now the target is 65,000 or 100,000. Records are being broken by workmen and executives, by planners and scientists.

Airplane production was one of our great weaknesses when war started. It was hard to get going, because of the technical difficulties. It was a real triumph, therefore, when United States manufacturers sent to Great Britain in the first seven months of 1941 nearly twice as many combat planes as were lost defending the British Isles during the whole of 1940. In Canada, starting from scratch, we are producing 40 or more planes a week, of which 15 to 25 are Hurricane fighters. We have 3½ million square feet of plane factories, and the United States has 40 million, with much more to follow.

Ship production is just as spectacular. Before the war we had not produced a warship or a large ocean freighter in Canada. We have already launched 80 corvettes and 60 minesweepers. We plan to launch a corvette every three days in 1942. We have launched seven freighters of 10,000 tons, and will slide another into the water every 5 days this year. In the United States, the first 9 months of 1941 saw 10 destroyers launched, 12 others placed in service, and 57 keels laid. Freighters are being produced at the rate of three a week, and the pace will accelerate quarter by quarter this year to an expected maximum by December of 60 a month.

TRIBUTE TO BRITAIN.

Before concluding this address I feel it is a privilege to pay particular tribute to the magnificent achievements of the people of Great Britain.

We in Canada are likely to think of the United Kingdom as a place of dense population and great reserves of manpower. It is true that it is more densely populated than our own country—they have 486 persons per square mile to our 3—but the total population of Great Britain and Northern Ireland is only about four times that of Canada. What a colossal task they have performed with only four persons to our one. For more than two years the people of Great Britain have been holding off the Germans; for more than a year and a half they have been fighting Italy also; and for a month they have been engaged against Japan. The people have stood up to the worst that Hitler's airforce can do. British industry has responded as Britons always have done in emergencies.

But tnat is not all. While workmen and women have been turning out the guns and planes and tanks and ships, those islands of only forty-six million population have sent soldiers to the ends of the earth, seamen to sweep the oceans to their farthest horizons, and airmen to comb the skies over three continents.

At the beginning of the last World War, Sir Edward Grey turned from his window and said "The lights are going out all over Europe."

I was reminded of this in Washington. From my hotel window I was able, up to a few weeks ago, to look out over the brilliantly lighted United States Capitol and the Washington Monument, the Lincoln Memorial and Arlington Cemetery.

These symbols of free government, of free people, and of the sacrifice that must be made to maintain freedom, are now dark, because of war.

The dimming of the lights is only temporary. We must feel we are in process of rebuilding a society in which the lights of the world may safely burn again. But we must be prepared to exert every effort to bring it about.

As Mr. Churchill said last week on that historic occasion when he spoke to the Senate and House of Commons of Canada in joint session:

"Let us then address ourselves to our task, not in any way underrating its tremendous difficulties and perils, but in good heart and sober confidence, resolved that whatever the cost, whatever the suffering, we shall stand by one another, true and faithful comrades, and do our duty, God helping us, to the end."

GENERAL MANAGER'S ADDRESS

Mr. S. G. Dobson, in presenting the financial statement, said:—

The Annual Report and Balance Sheet before you today are evidence of satisfactory operations during a year of greatly changed conditions in Finance and Industry due to the war, now well into its third year. Conditions which we used to consider normal no longer exist and we are now doing our principal business in a country more regimented and restricted by Government regulations than ever experienced by a Democratic state. Notwithstanding these regulations, which at one time would have been considered intolerable, but which we recognize as necessary in the kind of war which has been forced upon us, your bank has continued to expand. While it naturally becomes more and more difficult to make reasonable profits, we have, because of enlarged business and economies effected, been able to show earnings comparable with a year ago.

After providing for taxes, profits were $3,535,928, an increase of $9,034 over those of a year ago. This amount, added to $3,198,146 brought forward, makes available for distribution $6,734,074. Dividends paid amounted to $2,800,000. We contributed $325,000 to the Pension Fund Society, and $400,000 was written off Bank Premises, leaving $3,209,074 to be carried to Profit and Loss Account.

ASSETS AT RECORD LEVEL.

Increased business activity, not only in Canada but in the majority of the countries where we do business, has resulted in substantially larger figures under many of the headings in our Balance Sheet. The following are the principal changes: Total Assets are now $1,075,119,761, an increase of $119,549,435. This figure represents an all-time high in the bank's history. Cash on Hand and Balances Due by Banks total $187,827,349, Dominion and Provincial Bonds total $371,231,959. Adding to these two items Other Securities, Cheques on Banks, and Call Loans, we have Total Liquid Assets of $681,918,309 representing 69.56% of our Total Liabilities to the Public.

Our holdings of Dominion Government Securities, are up during the year $55,959,559.

Commercial loans in Canada have continued to expand and during the year increased a further $12,331,629 to $241,782,846. Considering the tremendous expansion taking place in our industrial activity, this increase is a very moderate one and its relative smallness is accounted for by the fact that a great deal of the development is being financed by the Government; furthermore, many concerns have built up their cash position to such an extent that they require little banking assistance. The turnover is very great and while the number and amount of new loans is large, there has on the other hand been very considerable liquidation. Fresh borrowers do appear, but many companies which were regular bank borrowers do not now find it necessary to lean upon the bank for assistance, largely because the character of their business has changed. They are now engaged principally in producing war material for the Government and consequently collect the amounts due them more promptly. The heavy expenditures by the Government for war purposes result in more money being in circulation and long term credits are not required as heretofore. Commercial Loans outside of Canada are down $3,722,740 and total Call Loans are up $6,186,835.

On the Liability side of the Balance Sheet, Deposits by the Public show an increase of $97,546,128, of which $64,198,458 was in Canada and $33,347,670 at foreign branches. We generally regard 1929 as the peak period of the boom years and it is interesting to note that our public deposits are now $152,259,936 higher than on November 30th of that year.

I am pleased to report that more new deposit accounts have been opened this past year than in any similar period in the history of the bank. We welcome these new accounts because we recognize in them an indication that many of our people are being helped by increased employment to find their footing and save money. We are doing our best to foster this growth, not only because it builds up the bank's clientele, but mainly because saving is an essential development in our war economy.

Following our practice during the last several years, expenditures on Bank Premises have been restricted to extensions and renovations. An appropriation of $400,000 has been made in Bank Premises Account and $400,000 in our property holding companies, making a total appropriation of $800,000 against Real Estate Holdings, the same as last year. During the year the outstanding 4½% bonds of the Globe Realty Corporation, Limited, were refunded on a 3¾% basis.

FOREIGN BUSINESS HEALTHY.

The business of our branches outside of Canada has continued along healthy and profitable lines throughout the year. Branches in Newfoundland, the British West Indies and British Guiana have participated in the increasing commercial and banking activities which have resulted from the work of construction of bases being established by the United States under the agreement made with Great Britain in September 1940. Similar activities in Puerto Rico have had a like effect. Conditions in Cuba have greatly improved since my remarks of a year ago, due to an unexpected increased demand for sugar by the United States and Great Britain. This resulted in a clearance of all stocks of sugar during the year at improved prices. It is expected that the sugar crop of 1942 will be considerably larger than any produced in recent years, and that prices will be more remunerative. This, joined with an improvement in other lines, gives promise of distinctly better conditions in Cuba in the immediate future.

In South American countries business has fluctuated with the changing conditions in international trade, but the operations of our branches in the several Republics where we are represented have been maintained on a satisfactory basis. The Trade Mission, headed by the Hon. Mr. MacKinnon, Minister of Trade and Commerce, was accomplished during the year, and there has been an exchange of Ministers by Canada with Brazil, Argentina and Chile. Commercial and political relations between Canada and Latin American countries have undoubtedly been strengthened by these initial developments. For a more comprehensive review of these relations, I refer you to our Monthly Letter of October last. This gives me the opportunity to remind shareholders that we issue every two months a review of business conditions in Latin America and the West Indies. Upon application, we shall be glad to place additional names on our mailing list for this Review. The report of this meeting to be mailed to shareholders will, as usual, include brief comments on conditions in Canada and the countries in which we have branches.

WAR RECORD OF STAFF.

The past year has been a difficult one for the staff and too much credit cannot be given to each member for the commendable way in which all, both men and women, have performed their duties. The more experienced members of the staff, particularly, are under great pressure because of extra business and the need to train newcomers in their duties.

Since the outbreak of war, 1,052 officers, including 43 from our foreign branches, have been granted leave of absence to serve in the armed forces. In Canada and Newfoundland 40% of our male employees under 30 years of age enlisted. We have assured all these young men, of whom we are justly proud, and to whose return we are looking forward, that positions will be available to them. To all of these we express our gratitude for their willing response in the country's hour of need.

The posts left vacant by our young men who have donned uniforms and are now serving with the Navy, Army, and Air Force, have been filled to a great extent by girls. Because those who have been granted leave were experienced clerks, it has been necessary to employ a larger number of inexperienced persons to do the same volume of work. This volume is increasing month by month, keeping pace with rising business activity, so that we have had to increase our staff to 7,672, which is 544 more than at the outbreak of war. The new staff, which has been added on a temporary basis, is fitting into our organization splendidly.

I cannot pass from this subject without referring to the officers and staff of our two branches in London, England. They have continued to serve loyally and efficiently under very trying conditions.

I regret exceedingly to report that eight of our young men have given their lives in the country's service. We extend to their relatives our sincere sympathy.

BUSINESS REACHES RECORD MOMENTUM.

Business in Canada has reached a momentum never before experienced in our history and indications are that 1942 will see all records broken in business expansion. Unemployment is practically non-existent. This business development has, of course, placed increased burdens upon your bank. The work involved in handling War Loans and War Savings applications and deliveries is very considerable and the tremendous additional number of cheques issued by the Government and the various war plants adds further to the amount of routine work in the branches. This all means increased staff. Furthermore, higher living costs have brought about higher salaries and war bonuses. Lower yields on Government securities and increased costs make for lower earnings. On the other hand, such operating economies as are possible are being effected and if the volume of business continues to rise, as I anticipate it will, we can look forward to reasonably satisfactory results during 1942.

You will, I know, agree with me that the outstanding thing at the moment, and the one to which we must subordinate all else, is the winning of the war. Those of us who cannot don uniform must fight in other ways; we must all work with a new and greater urge—in the mill, the mine, the forest, the factory, the business house, the bank. To help marshal this nation's utmost resource, those who cannot fight in other ways must ever be ready to pay, to give, to lend to the limit of our country's need. And in all this massing for the struggle in which survival itself is the stake, The Royal Bank of Canada will be found loyally doing its full part—the patriotic part that a strong bank in a strong system can contribute to the nation's strength for the victory that must, and will, eventually be won.

Prices Firmer In All Groups

Farm Products Gains Strength From U. S. Gov't Ceiling Policy

Prices of nearly all groups of commodities have shown a tendency to rise with weekly indices, both spot and future, uniformly higher. The Dominion Bureau of Statistics has discontinued issuing a weekly index.

Farm products have been affected by the disposition of the United States government to lift ceilings, whenever this may be considered necessary to stimulate production. Wheat, fats and oils were among the lines most affected.

On the Canadian markets, hog values continued firm, with quotations moving higher owing to the British bacon demand. Wheat was affected by a belief United States farmers might hold their grain in expectation of higher prices. In cotton, industrial demand continued strong and the belief was expressed it would be necessary to dip into reserve stocks, before the new crop comes in.

	Latest week	Previous week	Same week last yr.
Cattle	$10.00	$10.00	$9.60
Hogs	15.20	15.10	10.90
Copper, lb.	.12	.12	.12
Cotton, lb.	.1932	.1899	.1063
Sugar, raw, lb.	*.0374	.0350	.0295
Wheat Man. (bu.)	.76¾	.75⅝	.74⅛
Coffee, lb.	*.09⅝	.09⅝	.05¼
Hides	*.15½	.15½	.13⅛
Weekly Indices			
Wood, Gundy	75.9	75.4	67.4
U. S. Labor	94.3	93.8	79.9
Dow Jones (future)	85.89	85.51	....
Fishers	102.3	101.2	85.8
Monthly Indices			
Canada (D.B.S.):			
Retail (Dec.)*	115.8	116.3	108.0
W'sale (Nov.)	94.0	93.8	83.9
U. S. (Oct.)	92.4	91.8	78.7
Gt. Brit. (Sept.)	154.3	153.2	141.1

Note:—The base of indices is that 1926 equals 100 *Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

Base of price quotations is as follows: Cattle—Steers, good, over 1,050 lb., top price, Toronto. Copper-electrolytic, New York. No. 7 coffee, Rio. Sugar—96 degrees centrifugal, c/f New York. Wheat—No. 1 Man. North., Ft. W.-Pt. A. basis.

*Ceiling prices issued by the office of Price Administration.

Swift Canadian Profits Down

Earns $206,994 Last Year Against $394,109 in Previous Period

Operations of Swift Canadian Co., wholly-owned subsidiary of Swift & Co., for the 53 weeks ended Nov. 1, 1941, resulted in net profit of $206,994, in U. S. funds, compared with $394,109 the preceding year.

The Canadian company had net current assets of $8.5 millions at Nov. 1, 1941, and other assets of $6.5 millions. Its earned surplus amounted to $1.5 million. Comparative figures for Oct. 26, 1940, show net current assets of $8.1 millions, other assets of $6.6 millions and earned surplus of $1.3 million.

All figures are stated in U. S. funds, converted from Canadian funds at 90 cents to the Canadian dollar.

THE WEEK'S QUOTATIONS

Toronto and Montreal Exchanges

The following table is confined to official prices for listed stocks, including curb market quotations. Where no transaction is recorded, bid and asked prices are given. For unlisted stocks, quotations by unlisted dealers are published. The Financial Post cannot accept any responsibility for such quotations.

WEEK ENDING JANUARY 12

Range 1941-42 High	Low	Div Jan10 R'te $	Y'ld %		Sales	Last Jan. 5	Week end. Jan. 12 H	L	Cl'se
				A					
1.15	.50	.	...	Abitibi	310	.60	.65	.65	.65
9¼	4	.	...	Do. pref. 6%	1050	7	7	6½	6½
15	8	.	...	Do. pref. 7%	....	(9 bid — asked)			
3	1	.	...	Acme Glove	....	(2½ bid — asked)			
60	59	6.50	10.8	Do. pref.	....	(—bid 60 asked)			
14	11½	80+20c	8	Agnew Surp.	....	(12½ bid 13 asked)			
108	105	7	6.6	Do. pref.	....	(108½ bid — asked)			
1.50	.75	.	...	Alta. Pac. Gr.	....	(— bid 1.00 asked)			
33	24½	.	...	Do. pref.	35	26½	26	26	26
10½	7	.	...	Algoma Steel	490	8½	8¾	8½	8½
97½	83	5	5.8	Do. pref.	....	(81 bid 85 asked)			
115	95	8+2	9.6	Aluminium	224	109	109	104	104
120	115	6	5.2	Do. pref.	....	(116 bid — asked)			
8½	5½	25c	...	Amal. Electric.	....	(7½ bid — asked)			
37	37	60cb	1.6	Amer. Cyn. B.	....	(33 bid — asked)			
46½	44	2.75	5.9	Ang. Can. T. p	....	(— bid 44 asked)			
19½	14¾	60+60c	6.6	Asbestos	48	18½	18½	18	18
18½	14½	1.75	10.2	Assoc. Brew.	85	17¾	17½	17	17½
111	108½	7	6.3	Do. pref.	....	(110½ bid — asked)			
1	1	.	...	Assoc. T & T.A.	....	(— bid — asked)			
‡24	24	96c	..	Do. pref.	....	(— bid 23 asked)			
§103	101	5.50	5.3	Ault & Wiborg.	....	(102 bid — asked)			
				B					
147	140	8	5.6	Bk. Can. Nat.	159	144	143	143	143
193	171	8	4.3	Bk. Montreal	115	187	187	187	187
285	267	12	4.4	Bk. N. Scotia	10	270	270	270	270
295	240	10	4	Bk. Toronto	....	(252 bid — asked)			
8½	8½	20c	...	Barber Ellis	....	(7 bid — asked)			
•5	4½	.	...	Barcelona	....	(— bid — asked)			
1.25	.35	.	...	Barker's Bread	....	(.35 bid 1.50 asked)			
22	16	.	...	Do. pref.	....	(14 bid 15¾ asked)			
14½	10	1+25c	8.9	Bathurst Pr.	385	14	14½	14	14
3	[illegible]	.	...	Do. (B)	25	2	2	2	2
4	2	.	...	Beath & Sons	5	4	4	4	4
9	4½	.	...	Beatty Bros.	360	8	8	7½	7½
102¾	99	6	5.9	Do. pref.	....	(101½ bid — asked)			
90	88	7	7.8	Do. 2nd pref.	....	(82 bid — asked)			
11	6½	.	...	Beauharnois	893	9¾	9¾	9¾	9¾
80	80	4	5	Belding Cort.	....	(80 bid 86 asked)			
128	124	7	5.6	Do. pref.	....	(— bid — asked)			
160½	137	8	5.3	Bell Telephone.	526	150½	150½	149	149
6½	5	30c	4.6	Bertram & Sons	....	(6½ bid 6¾ asked)			
8¾	7	60c	8.3	Biltmore Hats	....	(— bid 7½ asked)			
6	2½	.	...	Blue Ribbon	....	(2¾ bid 3 asked)			
37½	30	2.50	8	Do. pref.	70	30	31	30½	30½
10	9½	60c	6.3	Blue Top Br. A	....	(10 bid 11 asked)			
8½	7	.	...	Do. (B)	....	(8 bid 11½ asked)			
22	19	1.30	6.2	Brant. Cord. pf.	....	(20¾ bid 23½ asked)			
8½	5	40c	...	Brazilian Tr.	846	7½	7½	6¾	6¾
7	2¾	50+10c	..	Brew. & Distil.	10	5	5	5	5
6½	6½	30c	4.6	Bright, T. G.	....	(6½ bid — asked)			
90	90	6	6.7	Do. pref.	....	(90 bid — asked)			
18¾	15	1	5.7	Brit. Amer. Oil	1391	17¾	17¾	17½	17½
16	9½	1.50	...	B. C. Packers	91	16	15½	13	15
26½	20½	2	9.5	B. C. Power A.	161	20¾	21	20¾	21
2	1	.	...	Do. (B)	....	(— bid 2 asked)			
6½	4½	.	...	Bruck S. Mills.	5	5½	5½	5½	5½
15¾	12	70+10c	6½	Building Prod.	740	12½	12½	12	12½
10¾	7½	60c	7.7	Burlington St'l	100	8	7¾	7¾	7¾
				C					
§70	70	.	...	Calgary Power.	....	(— bid — asked)			
103	98½	6	6	Do. pref.	....	(— bid 101 asked)			
3½	1½	.	...	Canada Bread.	....	(2¾ bid 3 asked)			
104	95	6	5.8	Do. pref.	....	(102 bid — asked)			
46	35	2.50	5.6	Do. pref. B.	....	(42 bid 48 asked)			
5	3¾	40c	8	Canada Bud	150	5	5	5	5
7	4	.	...	Canada Cement	683	4¾	5	4½	4¾
102	89¾	6.50	6.4	Do. pref.	760	101	101½	100	100
5¾	5¾	40c	...	Can. Cr. Stone.	....	(4 bid — asked)			
106	102¾	5	4.7	Canada Cycle p	70	106	106	105	105
27	19¾	1.50	7.3	C. & D. Sugar.	615	20½	20¾	20	20
19½	15	1.50	7.9	Can. Forg. (A)	....	(16 bid 17 asked)			
19	15½	1.50	7.9	Do. (B)	....	(16 bid — asked)			
50	35	7.50	...	Can. Iron	....	(39 bid — asked)			
80	70	6	8	Do. pref.	....	(74 bid — asked)			
§390	390	20	...	Canada Life	....	(370 bid — asked)			
39	32	2+50c	6.9	Can. Malting	....	(36 bid 36½ asked)			
11	4½	60c	12.6	Can. Nor. Pr.	170	5	4¾	4¾	4¾
99	80	7	8.4	Do. pref.	28	81	83	82½	83
92	74	4	4.6	Can. Packers	20	85	86	86	86
136	120	8	6.5	Can. Perman.	25	120	125	123	123
9	8	50c	...	Can. Starch	....	(9 bid — asked)			
108	108	7	6.4	Do. pref.	....	(110 bid — asked)			
7½	2½	.	...	Can. Steamsh's.	1720	6¾	6¾	5¾	6¾
30	16	2.50	8.4	Do. pref.	646	29¾	29¾	29¾	29½
8½	6½	40+10c	6.5	Can. Vinegars	50	8	7¾	7¾	7¾
61	50	4	7.3	Can. W. Cable	100	57	55	55	55
24	17½	2	8.8	Do. (B)	....	(21½ bid 22¾ asked)			
108	106	6.50	6.1	Do. pref.	8	108	107	107	107
1.75	.50	.	...	Can. Bakeries.	40	1.50	1.75	1.50	1.50
55	20	‡4.50	...	Do. pref.	....	(49½ bid 55 asked)			
163	143	8	5.3	Can. Bk. Com.	65	151	152	149½	149½
1.60	.60	.	...	Can. Breweries	2058	1.00	1.15	1.00	1.15
31	20	3	10	Do. pref.	615	30½	31	29¾	30
36	30	1.50+50c	6	Can. Bronze.	55	32	32	31½	31½
106	103	5	4.8	Do. pref.	....	(105 bid — asked)			
7¾	5	50c	8.7	Can. Canners	....	(6 bid 7 asked)			
23	18	1+20c▪	5½	Do. 1st pfd.	35	21½	21½	21½	21½
10½	8	60+20c▪	9	Do. 2nd pfd.	70	9	9½	9	9
10½	4¾	.	...	Can. Car & F'y	1000	6	5¾	5½	5¾
22½	19	‡1.32	..	Do. pref.	296	22½	22½	22	22½
29	18¾	1+1	7.5	Can. Celanese	142	26¾	27¾	26½	27½
126	110	7+60c▪	6	Do. pref.	95	123	124	124	124
23¾	21	1	4.3	Do. Rights	....	(22 bid — asked)			
19	15	2	11.7	Can. Convert.	....	(17 bid 18 asked)			
106¾	97	4+2	5.9	Can. Cottons	....	(101 bid — asked)			
118½	105	6	5.3	Do. pref.	....	(114 bid — asked)			
22	11	.	...	Can. Dredge	75	12	14	12	14
•100	99½	6	6	Can. Fairb. pf.	....	(95 bid — asked)			
15	9	1.90	13.5	Can. For. Inv.	....	(15 bid — asked)			
106	104	8	7.6	Do. pref.	....	(105 bid — asked)			
220	210	8	3.7	Can. Gen. Elec.	....	(210 bid — asked)			
8½	7	50c	6.4	Can. G. Inv.	....	(7½ bid 7¾ asked)			
4	1½	25c	...	Can. Ind. Alc.	320	3½	3¾	3½	3½
3¾	1¾	25c	...	Do. (B)	85	3½	3½	3½	3½
208	150	6	3.7	Can. Indust. B.	157	167	165	160	160
176	158	7	4	Do. pref.	20	171½	175	175	175
.30	.20	.	...	Can. Int. I. Tr.	100	.20	.30	.30	.30
50	40	2	5	Do. pref.	10	40	40	40	40
15	12	1	8	Can. Lt. & Pr.	....	(12½ bid 13 asked)			
9	5	.	...	Can. Locomo.	35	8½	8½	8½	8½
.95	.45	4c	..	Can. Marconi	8	.50	.60	.60	.60
19	12	50+70c	6	Can. Oil	....	(17 bid 19 asked)			
123	118	8	6.5	Do. pref.	11	122¾	123	122½	122½
7½	4½	.	...	Can. Pacific	7788	5¾	6½	5¾	6½
.60	.10	.	...	C. Pr. & Pa. In.	6	.30	.25	.25	.25
3.00	1.50	.	...	Do. pref.	....	1.50 bid 2.25 asked			
5	2	.	...	Can. Vickers	....	(3 bid — asked)			
26	9½	.	...	Do. pref.	30	22½	22	22	22
9	8½	1	...	C. Wallpaper A.	....	(9½ bid — asked)			
10	8	1	...	Do. (B)	....	(10 bid 13 asked)			
45	36	2	4.9	Can. West'ho'se	....	(41½ bid — asked)			
21	18	1.50+25c▴	.	Can. Wire Box	....	(18 bid 19 asked)			
1.30	.75	.	...	Capital Estates.	300	1.10	1.10	1.10	1.10
120½	117½	5	4.2	Carnation, pfd.	5	120	119½	119½	119½
9½	4	.	...	Catelli Food	25	7	6½	6½	6½
12	8	75c	...	Do. pref.	....	(— bid 10¾ asked)			
2.00	1.50	.	...	Celtic Knit	....	(— bid — asked)			
155	145	8	5.5	Cent. Can. L'n.	....	(125 bid 145 asked)			
92	82	4	4.9	Chart. Trust	....	(76 bid 80 asked)			
4	3½	.	...	Ch. Gal Wines.	200	3½	3½	3½	3½
.32	.09	.	...	Chem. Research	200	.11	.12½	.12½	.12½
.40	.25	.	...	City Gas & El.	....	(.25 bid — asked)			
.10	.03	.	...	Claude Neon	....	(.05 bid .10 asked)			
1.50	1.20	12c	..	Coast Brew.	500	1.38	1.42	1.40	1.42
6½	3¾	†50c	...	Cockshutt Plow	200	5½	5¾	5½	5½
2½	1½	15c	...	Comm. Alcohol	75	2	2	2	2
6	5	40c	...	Do. pref.	85	6	5¾	5¾	5¾
4½	3	‡40c	..	Conduits Nat.	....	(3½ bid 4½ asked)			
14	8	60c	6	Cons. Bakeries.	20	10½	10	10	10
.03	.01	.	...	Cons. Div. Sec.	3	.01	.01	.01	.01
8	7	75c	...	Do. pref.	1	7½	7½	7½	7½
4½	2½	.	...	Cons. Paper	3243	3½	3¾	3	3
4	2¾	.	...	Cons. Press	....	(3 bid 4½ asked)			
81½	78½	‡3.50	..	Cons. Sand. pf.	....	(75 bid 82 asked)			
41¾	31½	1+1.50	6.5	Cons. Smelt.	1499	39	38¾	38	38½
145	111	8	6.2	Consumers' Gas	29	126½	132	130	130
70	30	5.25+3.50▴	.	Corr. P. B. p.	....	(50 bid 65 asked)			
25	20	1.20+15c	6	Cosmos Imp.	100	21½	21	21	21
31	23	2	8.7	Crown Cork	15	23½	23	23	23
1½	1½	.	...	Crown Dom. Oil	....	(1½ bid — asked)			
35	28	3	9.2	Crow's N. Coal	54	34	32½	32½	32½
1.05	.50	.	...	Cub Aircraft	....	(.50 bid .80 asked)			
				D, E					
11½	9½	1	...	David & Fre. A	10	11½	10½	10½	10½
1.60	1.00	.	...	Do. (B)	....	(— bid 2 asked)			
8½	7	.	...	de Havilland	....	(7 bid 10 asked)			
80	75	7	8.7	Do. pref.	10	75	80	80	80
1.50	.80	.	...	Disher Steel	125	.95	1.00	1.00	1.00
10½	8	1.50	..	Do. pref.	....	(8 bid 12 asked)			
28½	18½	2.22	9.4	Distill-Seagram	1002	26½	26	23	23
98	84	5	5.4	Do. pref.	30	91¾	95	92	95
30	30	2.50	8.3	Dom. Ang. Inv.	....	(30 bid — asked)			
75	70	5	6.7	Do. pref.	....	(73¾ bid 84 asked)			
200	184	10	5.2	Dom. Bank	45	191	191	190	190
27½	20½	1.20	5.2	Dom. Bridge	890	23¾	23½	23	23
21	15	.	...	Dom. Coal, pf.	115	15½	15½	15½	15½
28	15	.	...	Dom. Engineer.	100	23	25	25	25
24	17	1+25c	7	Dom. Foundries	268	18½	19	18½	18½
107½	104	6	5.6	Do. pref.	25	105½	106½	106½	106½
126	108	5	4.5	Dom. Glass	5	110	110	110	110
155	140	7	4.7	Do. pref.	13	152	150	150	150
29½	26	1.20+40c	.	Dom. Oilcloth.	....	(25½ bid 26½ asked)			
.70	.45	.	...	Dom. Scot. Inv.	....	(.50 bid .75 asked)			
27	22½	‡2.56	...	Do. pref.	50	24½	24½	24½	24½
1¾	1½	.	...	Dom. Square	20	1½	1½	1½	1½
9¾	5½	.	...	Dom. St. & C.B.	562	7	7	5½	5½
6	3½	.	...	Dom. Stores	5	4½	4½	4½	4½
6	3¾	.	...	Dom. Tar & Ch.	180	4½	4	4	4
90	82½	5.50	6.3	Do. pref.	5	87¾	87¾	87¾	87¾
83	69	5	6.1	Dom. Textile	85	82	82	82	82
155	140	7	4.5	Do. pref.	10	151	154	154	154
1.75	.50	.	...	Dom. Woollens.	55	1.25	1.00	.75	.75
9½	6	60c	...	Do. pref.	....	(6½ bid — asked)			
5¾	2½	10c	...	Donnacona P.	71	4	4	3¾	4
7	4	.	...	Dryden Paper	1035	6	6	6	6
.50	.50	.	...	East Koot. Pr.	....	(— bid .50 asked)			
10	6	.	...	Do. pref.	....	(6 bid — asked)			
.75	.25	.	...	East Dairies	....	(.50 bid — asked)			
10½	5½	.	...	Do. pref.	....	(6 bid 10 asked)			
13½	10	1	8.3	East Steel	325	12	12	12	12
4½	4	.	...	East Theat.	....	(6 bid 8 asked)			
3½	2	.	...	Easy Washing.	....	(— bid 3¾ asked)			
25½	21½	2	...	Economic Inv.	....	(— bid 26 asked)			
8	4½	80c	...	Electrolux	....	(3½ bid 6 asked)			
3½	2	.	...	Enam. & Heat.	....	(— bid 4 asked)			
30	23	2.50	8.5	English Electric	....	(29¾ bid 32½ asked)			
5¾	1¾	.	...	Do. (B)	8	1¾	3	3	3
5¾	5	15c	3	Equitable Life.	....	(4½ bid 6 asked)			
				F, G					
3.00	1.30	.	...	Fairchild Air.	75	2.00	2.00	2.00	2.00
20	16	1	5.6	Fam. Players	....	(— bid 18 asked)			
28	20	50+25c	8	Fanny Farmer	312	22	22½	20	20
6	3	.	...	Fleet Aircraft.	80	3½	3½	3½	3½
§1.50	.75	.	...	Fleury Bissell	....	(.20 bid .50 asked)			
15	10	.	...	Do. pref.	....	(9 bid 12 asked)			
18	14¾	1	6.5	Ford Motor A.	2996	15¾	16	15	15¾
18½	15	1	6.3	Do. (B)	75	16	15¾	15¾	15¾
.15	.15	.	...	For. Pr. Secs.	....	(— bid .25 asked)			
16¾	10¾	1+25c	7.8	Foundation Co.	500	16½	16	15¾	16
14	4½	.	...	Fraser Cos.	8	10	13	10	10¾
14	5¾	.	...	Do. Vot. Tr.	207	12¾	12¾	11½	11½
.50	.50	.	...	Freiman	....	(.50 bid — asked)			
55	41	4.50	...	Do. pref.	....	(50 bid — asked)			
9¾	4½	70c	..	Gatineau Pwr.	100	5	5½	5½	5½
90	69	5	6.8	Do. pref.	6	72	73	73	73
95½	75	5.50	6.9	Do. 5½% pref.	11	80	79	79	79
1.25	.15	.	...	Do. Rights	....	(— bid .25 asked)			
7½	4½	50c	...	Gen. St. Wares.	70	6	6	6	6
94	86	7+27c▪	8	Do. pref.	50	91	92	90	90
80	53	2.50+1.50	7	Goodyear T.	50	60	54	53	53
56	49	2.50	5.1	Do. pref.	230	49½	49½	49	49½
67	67	‡7	..	Gould Pumps	....	(— bid — asked)			
4	2½	.	...	Gt. Lakes Pap.	....	(1½ bid 3¾ asked)			
16	16	1.50	...	Do. pref.	....	(15 bid 16 asked)			
3¾	1¾	.	...	Do. Vot. tr. c.	64	1¾	2½	2	2½
19¾	12	1.50	...	Do. Vot. tr. p	....	(15 bid 16½ asked)			
5½	1¾	.	...	Gt. W. Saddlery	....	(— bid 5½ asked)			
31	25	‡5.25	..	Do. pref.	....	(28 bid 33 asked)			
11½	9	60c	5.4	Greening Wire.	....	(10½ bid 11 asked)			
§1.25	1.25	10c	...	Growers' Wine.	....	(— bid — asked)			
4½	2½	.	...	Gurd, Chas.	....	(2 bid 3 asked)			
§107½	106½	.	...	Do. pref.	....	(— bid 90 asked)			
4½	2	.	...	Gypsum, Lime.	50	3½	3½	3½	3½
				H, I					
17	16½	1	...	Halifax Ins.	....	(15 bid 16 asked)			
5½	2¾	.	...	Ham. Bridge	90	3½	3½	3½	3½
36	34½	2+2▴	5½	Ham. Cot., pf.	....	(35 bid 37 asked)			
1.50	50	.	...	Ham. U. Theat.	....	(.50 bid 1.25 asked)			
75	65	5	6.7	Do. pref.	....	(72 bid 85 asked)			
3¾	2½	20+10c	.	Harding Carpet	470	3½	3	3	3
.25	.25	.	...	Hillcrest Coll.	....	(.25 bid 1.00 asked)			
4	2	.	...	Do. pref.	....	(2½ bid — asked)			
12½	8½	‡62½c	..	Hinde & Dauch	435	12½	12	12	12
•20	20	.	...	Holt Renfrew	....	(— bid — asked)			
35	35	.	...	Do. pref.	....	(40 bid 45 asked)			
18	14	2	10.5	Honey Dew	18	14	18	18	18
16	10½	.	...	H. Smith Pap.	75	14	14	14	14
101	94	6	6	Do. pref.	10	100	99½	99½	99½
18	10	1	10	Humberstone S.	....	(9¾ bid — asked)			
8½	3½	.	...	Hunts (A)	....	(7½ bid 8½ asked)			
8½	2	.	...	Do. (B)	....	(7½ bid 8½ asked)			
57	52	4	7.5	Huron & E. Mt.	26	55	53½	53½	53½
9½	7½	80c	...	Do. 20% pd.	3	7½	7½	7½	7½
.80	.60	.	...	Hydro Electric.	....	(— bid 1.00 asked)			
211	192	10	4.9	Imperial Bank.	69	203	204	202	202
275	275	15	5.4	Imperial Life	....	(— bid 275 asked)			
10½	8¾	50c	5.7	Imperial Oil	4009	8½	9	8¾	8¾
14	11	40+22½c	5	Imperial Tob.	1961	12½	12½	12½	12½
8	6	6%	4	Do. pref.	125	7	7	7	7
16	10	1	...	Indust. Accept.	....	(9¾ bid 10 asked)			
25	22½	3	...	Inter-City Bak.	100	23	22½	22½	22½
50	39	‡5+1	..	Inter'c Coal	....	(42 Aug. 5)			
§120	120	8	...	Do. pref.	....	(— bid — asked)			
16¾	12	1.50	12.5	Inter. Bronze	....	(12 bid 12½ asked)			
25	20	1.50	6.7	Do. pref.	85	22½	22½	22½	22½
.30	.25	3c	..	Int. Coal & C.	....	(.25 bid .40 asked)			
10½	6	.	...	Int. Metal Ind.	80	8	7¾	7½	7½
105	93	6+6▴	6.2	Do. pref.	90	95	96	95	96
100	93	6+6▴	6.3	Do. pref. A.	....	(90 bid 96 asked)			
115½	109½	5	4.3	Int. Mill., pf.	10	112	115	113	115
38½	29½	2	5.8	Int. Nickel	1327	36	35¾	34	34½
157	150	7	4.4	Do. pref.	....	(— bid — asked)			
2.50	1.05	.	...	Int. Paints	....	1.00 bid 2.50 asked			
15	13	1+25c▴	..	Do. pref.	....	(12½ bid 20 asked)			
..	..	.	...	Int. Paper	....	(— bid 17¾ asked)			
..	..	5	...	Do. pref.	....	(62 bid — asked)			
16	12½	1	7.7	Int. Pete.	4999	13½	13½	12¾	12¾
3½	2	.	...	Int. Power	10	2½	2½	2½	2½
93	79¾	7+1.25▴	8	Do. pref.	20	90	87½	87½	87½
•11¾	10½	.	...	Int. St. Rlty. A.	....	(— bid 10 asked)			
•4	3½	.	...	Do. (B)	....	(— bid 4 asked)			
9¾	3	.	...	Int. Util. (A)	....	(3 bid 9 asked)			
.25	.10	.	...	Do. (B)	....	(.15 bid .20 asked)			
				J, K, L					
13	13	68c	5.2	Jam. Pub. Ser.	....	(— bid 13 asked)			
116	115	7	6	Do. pref.	25	116	115	115	115
11	8	.	...	Kelvinator	5	9½	8	8	8
15	5	.	...	L. St. John Pr.	30	9	10	10	10
1.25	.40	.	...	Lake Sulphite.	....	(— bid .60 asked)			
18½	11½	1	6.1	Lake of Woods.	85	16½	17	16½	16½
125½	110	7	6.1	Do. pref.	....	(115 bid 125 asked)			
53	43	4	8.3	Landed Bank	3	47½	48	47½	48
12	8½	70+12½c	.	Lang, J. A.	....	(10½ bid 15½ asked)			
•3½	2½	.	...	Langley's	....	(— bid 1 asked)			
25	15	2	...	Do. pref.	....	(20½ bid 25 asked)			
11	9	80c	7.6	Laura Secord	155	10½	10¾	10½	10½
12	6½	.	...	Legare, pref.	100	9	9½	9½	9½
3½	2½	30c	...	Levy Bros.	....	(2 bid 3½ asked)			
6½	4½	.	...	Lindsay, C. W.	....	(5 bid — asked)			
55	50	.	...	Do. pref.	....	(50 bid — asked)			
28	24	1+25c	4.9	Loblaw (A)	345	25½	25½	25½	25½
26	22	1+25c	5.3	Do. (B)	215	23¾	23¾	23½	23¾
				M					
1.00	1.00	.	...	Mackenzie Air.	300	1.00	1.00	1.00	1.00
2	2	.	...	Mackin. Steel	....	(— bid 3 asked)			
65	50	5	...	Do. pref.	....	(55 bid 75 asked)			
15¾	11	.	...	Maclaren Pr.	350	15½	15½	15½	15½
8¾	7	.	...	M. L. Gardens.	5	7	7	7	7
7½	5	40c	6.4	Do. pref.	....	(5½ bid 7 asked)			
4½	1¾	.	...	Maple Leaf M.	150	2¾	2¾	2½	2¾
6¾	2½	.	...	Do. pref.	5	4	4	4	4
16½	15	75+10c	5	Maritime Tele.	....	(16½ bid — asked)			
16¾	16	70c	4.2	Do. pref.	....	(16½ bid — asked)			
18	14¾	.	...	Marcus Loew's.	....	(17½ bid — asked)			
•100	100	7+7▴	..	Do. pref.	....	(93 bid — asked)			
3.50	1.75	.	...	Massey-Harris	575	2.00	2.12	2.00	2.00
60½	25	.	...	Do. pref.	95	53	53	50½	53
5	3½	.	...	Do. com. new	60	3½	3½	3½	3½
12¾	11	.	...	Do. pfd. new.	250	12	12	12	12
5¾	3	.	...	McColl Fron.	797	3¾	4¾	3¾	4¾
98	85	6	6.6	Do. pref.	64	91	93	91	93
2.00	.75	.	...	Melchers	....	1.00 bid 1.25 asked			
6	5	60c	10	Do. pref.	....	(5¾ bid 6 asked)			
7½	2½	.	...	Mercury Mills	....	(2½ bid 2¾ asked)			
50	45	2.50	..	Mitchell, J. S.	....	(— bid 50 asked)			
14	7½	1.50	13	Mitchell, Robt.	....	(11½ bid — asked)			
17½	15	80+40c	8	Mod. Contain.	....	(— bid 15½ asked)			
98	97½	5.50	5.6	Do. pref.	....	(— bid 100 asked)			
2	1½	.	...	Monarch Knit	....	(— bid — asked)			
75	50	7	...	Do. pref.	....	(50 bid 65 asked)			
65	55	4	6.7	Montreal Cot.	....	(55½ bid — asked)			
118	110	7	6.3	Do. pref.	....	(111½ bid — asked)			
1.00	.25	.	...	Mont. Is. Pr.	....	(.25 bid 2.00 asked)			
29½	20½	1.50	6.5	Mont. L. & Pr.	1791	22¾	23	22¾	23
50½	47½	.	...	Do. Notes	575	50	50½	50	50½
15	13	1.25	9.4	Montreal Loan.	....	(13 bid — asked)			
.85	.15	.	...	Mtl. Refrig & S	....	(.75 bid — asked)			
13	9¾	1.25	...	Do. pref.	....	(11½ bid 13 asked)			
30	24½	°1.96	...	Montreal Tele.	5	25	24½	24½	24½
52	15	.	...	Montreal Trams	61	17	17	16	16
47½	41	2.22+66½c	6½	Moore Corp.	166	44½	44½	43	43¾
188	176	7	3.9	Do. pref. (A)	....	(174 bid 184 asked)			
279	265	7	2.5	Do. pref. (B)	....	(259 bid 265 asked)			
.10	.05	.	...	Muirheads	....	(.10 bid .20 asked)			
§1	1	.	...	Do. pref.	....	(— bid — asked)			
				N, O					
28	19	2	7.7	Nat. Breweries.	420	25½	26	25½	25¾
40	35	1.75	4.4	Do. pref.	50	39	39½	39½	39½
5½	3¾	.	...	Nat. Grocers	....	(4¾ bid 5 asked)			
26½	24½	1.50	5.7	Do. pref.	....	(26 bid 26½ asked)			
8¾	7	.	...	N. Sew. Pipe A	....	(8 bid 8¾ asked)			
39	30¾	2	5.9	Nat. Steel Car.	163	34	34¾	34	34
150	140	8	5.7	National Tr.	....	(135 bid 140 asked)			
§9½	9½	60c	..	Neon Prod.	....	(— bid — asked)			
25½	15	2	11.8	Niag. W. Weav.	....	(17½ bid 18¾ asked)			
3¾	2	.	...	Noorduyn Av.	....	(2 bid 3 asked)			
.90	.35	.	...	North Star Oil.	....	(.35 bid .80 asked)			
3¾	2¾	35c	...	Do. pref.	....	(2¾ bid 3 asked)			
88	86	6	6.8	N. S. L. & Pr.	....	(86 bid — asked)			
108¾	102	6	5.5	Do. pref.	60	108½	108¾	108¾	108¾
22½	18	1	4.5	Ogilvie Flour	320	21	22	21¾	22
155	145	7	4.5	Do. pref.	15	155	155	155	155
113	105	5	4.6	Ontario Loan.	6	109	108	108	108
3	3	.	...	Ont. Silknit	....	(— bid 3 aked)			
45	35	‡3	...	Do. pref.	....	(— bid 44 asked)			
10	7	1	...	Do. Scripts	100	10	10	10	10
11	8½	1	...	Ont. Steel	....	(— bid 11 asked)			
110	110	7	6.4	Do. pref.	....	(110 bid 120 asked)			
2	1	.	...	Orange Crush.	....	(— bid 1 asked)			
6½	3	.	...	Do. pref.	....	(3 bid — asked)			
8½	5	40c	6.7	Ott. Car Air	....	(— bid 6 asked)			
16	12	1.20+50c	.	Ottawa El. Rly.	....	(14½ bid 16 asked)			
11	4	60c	15	Ott. L. H. & Pr.	100	4¾	4	4	4
99	80	5	5.9	Do. pref.	....	(— bid 85 asked)			
				P, Q, R					
35	23	3c	..	Pacific Coyle	....	(— bid — asked)			
106½	95½	5	4.8	Page Hersey	16	102	103	102	103
4¾	4¾	.	...	Pantepec Oil	....	(4 bid 6½ asked)			
30½	25	2	6.6	Paton Mfg.	....	(30 bid 35 asked)			
115	115	7	6.1	Do. pref.	....	(112 bid — asked)			
52	46	3	6.2	Penmans	100	47¾	48	48	48
124	120	6	4.9	Do. pref.	....	(122½ bid — asked)			
16½	12	1	7.7	Photo Eng.	14	13½	14½	13	13
•99	95½	7	7.1	Porto Rico Pr p	....	98½ bid 100½ asked			
6	2	30c	...	Power Corp.	80	3½	4½	3	3½
98	75	6	7.3	Do. pref.	10	82	82	82	82
43	28	3	9.3	Do. 2nd pref.	35	32	32½	32½	32½
9	3½	.	...	Pressed Metals	200	4½	4	4	4
12½	8¾	.	...	Price Bros.	1020	10½	11	10	10
75	61	5.50	7.4	Do. pref.	....	(70 bid 74 asked)			
7	5	40c	6.7	Prov. Transport	10	5¾	6	6	6
14½	9½	1	8.3	Quebec Power.	276	13	12½	11	12½
4	4	.	...	Que. Telephone.	....	(4 bid — asked)			
30	24	2	6.7	Real Estate L'n	....	(— bid — asked)			
5	3	25c	...	Regent Knit	25	3½	3½	3½	3½
18	15½	1.60	9	Do. pref.	....	(17 bid 18 asked)			
4½	2½	.	...	Reliance Grain.	....	(3 bid — asked)			
67	60	6.50	9.7	Do. pref.	....	(65 bid 72 asked)			
22	15½	2	9.1	River S. Mill	30	22	22	22	22
10	8	60c	7.5	Rolland Pap.	50	9	8	8	8
95	89	6	6.4	Do. pref.	55	91½	94	94	94
167½	148	8	5.3	Royal Bank	189	151	152	151	152
18	14	80c	4.8	Russell Indust.	....	(15¾ bid 16½ asked)			
180	145	7	4.1	Do. pref.	....	(— bid 169¾ asked)			
				S					
107	103	5.50	5.2	Saguenay Pr. p.	....	(106 bid — asked)			
34½	34½	1	...	Sangamo	....	(20 bid 33½ asked)			
9	6½	.	...	Sarnia Br. (A)	....	(6 bid 8 asked)			
1	¾	.	...	Do. (B)	....	(1 bid 3 asked)			
.	..	1+50c	..	Scythes & Co.	....	(15 bid 19¾ asked)			
.	..	1.75	..	Do. pref.	....	(25½ bid — asked)			
17	12	90c	6.4	Shawinigan Pr.	1626	13¾	14	13½	14
13½	8½	15c	..	Sher. Wms.	15	13½	13½	13½	13½
115½	108½	7+7▴	6.4	Do. pref.	....	(— bid 115 asked)			
7	3	40c	5.7	Silverwoods	50	6½	7	7	7
6¾	5½	40c	6.7	Do. pref.	36	6½	6	6	6
9	5¾	60c	8.6	Simon & Sons.	30	9	7	7	7
106	103	7	6.8	Do. pref.	....	(— bid 105 asked)			
11	8½	.	...	Simpson, A.	....	(— bid 8 asked)			
5	1½	.	...	Do. (B)	....	(— bid 4 asked)			
100	83	6.50	7.3	Do. pref.	....	(89 bid 90 asked)			
135	132	6	4.4	Simpson, R., pf.	....	(132 bid 140 asked)			
11	8	80c	8.6	So. Can. Pr.	45	9½	9½	9½	9½
106	97	6	6	Do. pref.	3	100	100	100	100
2.87	1.25	.	...	St. Law. Corp.	785	1.60	2.00	1.50	1.50
18	13	1+1▴	6.9	Do. (A)	155	14	15	14½	14½
22	19	1+50c	7.3	St. Law. Flour.	....	(22 bid 25 asked)			
112	110	7	6.1	Do. pref.	....	(115 bid 125 asked)			
44	31	3+1.50▴	7	St. Law. Pap. p	191	42½	43	42	42
12½	8	‡1.25	...	Stand. Chem.	5	11	9½	9½	9½
5	1	.	...	Stand. Clay	....	(1 bid 3 asked)			
.90	.25	.	...	St. Pav. & Mat.	400	.25	.50	.45	.50
5	2½	‡62½c	..	Do. pref.	....	(4 bid — asked)			
4	2½	20c	5.5	Stand. Radio	....	(3½ bid 3¾ asked)			
25	18	60+60c	6	Stedman Bros.	....	(21 bid 21½ asked)			
70	59½	3	4.8	Steel of Can.	240	62½	62	62	62
76	64	3	4.3	Do. pref.	71	69	70½	69	70
3½	2	.	...	Sterling Coal	....	(— bid 5 asked)			
.15	.15	.	...	Stop & Shop	....	(— bid .20 asked)			
15	10	80+50c▪	•	Stuart, D.A. pf.	25	13½	13½	13½	13½
§3½	2¾	.	...	Supersilk, H. A.	....	(— bid 2½ asked)			
3	2¾	.	...	Do. (B)	....	(— bid 3 asked)			
70	70	5	7.2	Do. pref.	....	(— bid 73 asked)			
30	19	1+25c	6.6	Sup. Pete. ord.	100	20	19	19	19
27	19½	1+25c	6.4	Do. com.	....	(18¾ bid 32 asked)			
				T, U, V					
11½	9¾	80c	7.3	Tamblyn	32	11	11	10¾	11
52¾	52½	2.50	4.8	Do. pref.	....	(52¾ bid — asked)			
§3	3	.	...	Thayers	....	(1½ bid 3 asked)			
§36	20	3.50	...	Do. pref.	....	(20 bid 35 asked)			
2	1	.	...	Thrift Stores	....	(1 bid 2½ asked)			
10	8	.	...	Do. pref.	....	(— bid 13 asked)			
10	6	60c	7.3	Tip Top Tailors	....	(8½ bid 9½ asked)			
107	100	7	6.6	Do. pref.	....	(100 bid 106 asked)			
1.50	1.00	.	...	Tooke Bros.	....	1.00 bid 1.50 asked			
13	11	.	...	Do. pref.	....	(10 bid 15 asked)			
21½	19	1	5	Tor. Elevators	....	(20 bid 24 asked)			
51	42	2.62½	5.3	Do. pref.	20	49	49½	49½	49½
80	63	4	5.7	Tor. Gen. Tr.	2	70	70	70	70
88	69	5	5.8	Toronto Mtge.	....	(73½ bid 80 asked)			
155	139	7	4.7	Tuckett Tob. p.	30	150	148	148	148
2.50	1.00	.	...	Twin City	55	2.50	2.00	1.90	1.90
26½	21½	.	...	Do. pref.	....	(— bid — asked)			
14½	9½	80+20c	10	Union Gas	2683	9½	10	9½	9½
13½	12	80c	6.2	Un. Amuse. A.	....	(12 bid — asked)			
13½	13	80c	5.9	Do. (B)	....	(12 bid — asked)			
1.20	.60	10c	...	United Distill.	520	1.00	1.20	.75	1.20
40½	30	3	8.4	United Fuel, pf.	190	35½	36	35½	35½
5¾	2½	.	...	Do. (B) pref.	40	3¾	3¾	3¾	3¾
4¾	1	.	...	United Secs.	5	2	2	2	2
5½	2¾	.	...	United Steel	130	4	3¾	3¾	3¾
4	3	.	...	Viau Bisc.	4	3½	3	3	3
60	50	5	9.6	Do. pref.	22	50	52	50	50
				W, Y, Z					
40	23½	2+50c	6.2	Wabasso Cot.	200	40	40	40	40
50½	36½	4	8.8	Walker-Good.	1375	49	48½	45	45½
21	19	1	4.8	Do. pref.	950	21	20¾	20½	20½
1.00	.50	5c	...	Walkerville Br.	....	1.00 bid 1.10 asked			
§135	120	7	...	W. Koot. Pr. pf.	....	(135 bid — asked)			
2.00	.75	.	...	West. C. Flour.	....	(.90 bid 1.75 asked)			
26	14	.	...	Do. pref.	50	20	20	20	20
60	42	3+1	8	West Grocers	5	50	50	50	50
115	107	7	6.2	Do. pref.	....	(108½ bid — asked)			
§15½	11¾	50c	...	W'minster Pap.	....	(— bid — asked)			
12	9	80c	7.1	Weston Ltd.	160	11	11½	10¾	10¾
98	80	5	...	Do. pref.	....	(95 bid 96 asked)			
18½	14¾	1	6.2	Wilsils	60	16½	16½	16½	16½
1.20	.50	.	...	Winnipeg El. A	100	1.15	1.15	1.05	1.15
1.40	.65	.	...	Do. (B)	145	1.15	1.25	1.15	1.15
8	3¾	.	...	Do. pref.	50	7¾	7¾	7½	7½
85	73½	7	8.9	Wood A. & J. p	....	(74 bid 78 asked)			
60	45	.	...	Woods Mfg. pf.	....	(45 bid 65 asked)			
5½	4	40c	...	York Knitting.	....	(4½ bid 5½ asked)			
•100	100	7	7	Do. 1st pref.	....	(— bid — asked)			
13	8½	80c	7.3	Zellers	....	(11 bid 12 asked)			
25½	23½	1.50	6	Do. pref.	25	25	25	25	25

Quotations: §1940. •1939. *1938.
▴On account of arrears.
▪Participating. ‡Paid in 1941.
b Plus $1.25 paid in new 5% pref. stock.
° Paid in 1941 after corporate income tax.
† Payable 25c Dec. 18, 1941; 25c June 18, 1942.

Mining Stocks

Week Ending January 12

Par Val.	Range 1941-42 High	Low	Company	Sales	Close Jan. 5 (or last)	High for week	Low for week	Close Jan. 12
			A					
No	.24	.05	Aldermac	2,500	.15	.15	.13	.13
1	.01½	.00½	Amm. Gold	......	(.00½ bid .01½ asked)			
No	3.15	1.90	Anglo-Huronian	150	2.31	2.35	2.35	2.35
No	.40	.30	Argus Interests	......	(.35 bid .50 asked)			
No	•.03	.01	Arno	......	(.... bid .01½ asked)			
1	.11	.03½	Arntfield	10,500	.08	.08	.07½	.08
1	.06½	.03½	Ashley	1,000	.05½	.04½	.04½	.04½
1	.05	.02	Astoria Quebec	......	(.01½ bid .01½ asked)			
1	2.45	1.40	Aunor Gold	1,700	1.45	1.45	1.40	1.40
			B					
1	.16½	.05	Bagamac	1,500	.05½	.05½	.05	.05
1	.08	.03	Bankfield	22,500	.04½	.05	.04½	.04½
No	.14	.05	Base Metals	600	.09	.08	.08	.08
1	.15	.04	Bear Exploration	14,500	.05	.06½	.05	.06½
1	1.24	.90	Beattie Gold	3,000	.93	.93	.90	.92
1	.09	.03½	Beaufor	......	(.03 bid .05 asked)			
1	1.00	.90	Berens River	......	(.60 bid 1.00 asked)			
1	.15	.07	Bidgood Kirk.	7,100	.09½	.09¾	.09½	.09½
1	.11	.05	Bobjo	3,000	.07	.06½	.06½	.06½
1	.59	.23	Bonetal Gold	500	.30	.27	.27	.27
1	.03	.00½	Bouscadillac G.M.	1,500	.02	.02	.02	.02
No	11.63	8.70	Bralorne	680	9.25	9.25	8.70	8.70
1	.03	.02½	Brazil Gold	......	(.... bid .02½ asked)			
1	.01½	.00½	Brett Trethewey	......	(.00½ bid .00¾ asked)			
1	1.10	.56	Broulan Porc.	11,500	.61	.61	.59	.59½
1	5.95	2.60	Buffalo Ankerite	100	2.70	2.65	2.65	2.65
No	.06	.02	Buffalo Can.	5,000	.02½	.02½	.02½	.02½
5	19.00	9.00	Bulolo Gold	200	9.25	12.00	11.00	12.00
No	.03	.01	Bunker Hill	......	(.01 bid .... asked)			
			C					
1	.11	.05	Camp Bird	......	(.... bid .09½ asked)			
No	.63	.42	Can. Malartic	700	.45	.49	.45	.45
1	2.91	1.60	Cariboo Gold	100	1.72	1.72	1.72	1.72
1	.02½	.00½	Cartier Malartic	500	.01	.00½	.00½	.00½
1	.60	.40	Castle Trethewey	500	.53	.55	.55	.55
1	.08	.05	Cen. Cadillac	2,000	.05	.05	.05	.05
1	.01½	.00½	Cen. Manitoba	......	(.... bid .... asked)			
1	1.95	1.25	Cen. Patricia	4,350	1.28	1.28	1.25	1.27
1	.21	.07	Cen. Porcupine	14,000	.09½	.10½	.09	.09
1	.18½	.15	Century Mining	......	(.... bid .14 asked)			
1	1.87	1.10	Chesterville	4,626	1.45	1.45	1.40	1.40
No	2.40	1.50	Chromium	125	2.10	2.20	1.95	1.95
5	1.35	.50	Coast Copper	100	1.02	1.10	1.10	1.10
1	1.04	.45	Cochenour Willans	1,400	.56	.55	.55	.55
5	1.55	1.00	Coniagas	......	(1.15 bid 1.40 asked)			
No	1.55	.85	Coniaurum	600	.92	.91	.90	.90
5	41.37	31.50	Cons. Smelters	1,499	39.00	38.87	38.00	38.25
			D, E					
1	1.24	.65	Delnite	......	(.60 bid .70 asked)			
1	.07½	.02½	Denison Nickel	6,500	.04½	.04½	.04	.04
No	25.00	15.00	Dome Mines	1,256	16.50	16.75	16.00	16.00
1	.16½	.08	Duquesne	5,500	.09½	.09½	.09	.09
1	2.95	1.91	East Malartic	13,550	2.15	2.20	2.12	2.18
1	.52	.30	Eldorado	17,186	.41	.49	.45	.47
			F, G					
No	3.90	1.92	Falconbridge	475	3.15	3.30	3.15	3.30
1	.06	.02½	Federal	500	.02½	.02½	.02½	.02½
1	.06½	.01½	Fernland	8,000	.01¾	.02	.01¾	.02
No	.63	.30	Francoeur Gold	4,000	.40	.42½	.38	.38
1	.08½	.03	Gillies Lake	1,000	.03½	.03½	.03½	.03½
1	.02	.01	Glenora	......	(.01 bid .01½ asked)			
No	.41	.17	God's Lake	3,700	.20	.20	.18	.18
1	.16½	.09	Goldale	500	.09½	.09½	.09½	.09½
50c.	.29	.20	Gold Belt	......	(.13 bid .... asked)			
1	.10	.02½	Gold Eagle	......	(.04½ bid .04¾ asked)			
1	.13	.03½	Golden Gate	5,500	.03½	.04¾	.03½	.03½
1	.02	.00½	Goodfish	......	(.00½ bid .01 asked)			
1	.02½	.01½	Graham Bosquet	......	(.02 bid .02½ asked)			
No	.06½	.03½	Grandora	......	(.03½ bid .05½ asked)			
1	.01½	.01½	Grull Wihksne	......	(.... bid .... asked)			
1	.38	.10	Gunnar Gold	1,250	.12	.14	.10	.12
			H, I, J					
1	.09½	.02½	Halcrow Swayze	3,900	.02½	.03	.02½	.03
1	.01½	.00½	Halliwell Gold	......	(.00½ bid .01½ asked)			
1	5.40	2.25	Hallnor Mines	725	3.00	2.75	2.50	2.50
1	1.10	.45	Hard Rock	1,900	.55	.55	.50	.52
1	.08	.02½	Harker	2,500	.02½	.02½	.02½	.02½
1	.58	.43	Hedley Mascot	......	(.... bid .45 asked)			
5	13.12	9.80	Hollinger	2,144	10.50	10.37	10.00	10.12
1	.30	.18	Howey Gold	3,200	.20	.19	.18	.18½
No	30.50	23.50	Hudson Bay	2,180	28.00	28.00	26.25	26.50
1	.68	.20	Inspiration	1,500	.27	.27	.27	.27
No	38.25	29.25	Int. Nickel	1,327	36.00	35.75	34.00	34.25
50c.	1.30	.85	Island Mountain	......	(.... bid 1.35 asked)			
1	.02½	.00½	Jacola	......	(.01 bid .01½ asked)			
1	.27	.10	Jack Waite	500	.18	.15	.15	.15
1	.46	.26	Jason Mines	4,867	.29½	.29	.26	.26
1	.03½	.01	Jellicoe	666	.02½	.02	.02	.02
1	.01½	.00½	J. M. Cons. Gold	......	(.00½ bid .01 asked)			
1	.03	.01	Joliet Quebec	......	(.02 bid .02½ asked)			
			K, L					
1	4.90	3.05	Kerr Addison	17,670	4.25	4.25	3.90	4.00
1	.41	.15	Kerr Lake	100	.22	.22	.22	.22
1	.05	.01	Kirk. Gold Rand.	......	(.02½ bid .05 asked)			
1	.42	.15	Kirk. Hud. Bay	100	.20	.26	.26	.26
1	1.05	.50	Kirkland Lake	3,300	.55	.59	.55	.55
1	21.00	10.12	Lake Shore	534	11.37	11.25	10.75	11.25
No	5.15	3.50	Lamaque Gold	485	4.15	4.00	3.85	3.85
1	.15	.06	Lapa Cadillac	500	.09	.08	.08	.08
1	.02½	.01	Lebel Oro	......	(.01½ bid .01½ asked)			
1	.60	.39	Leitch Gold	2,050	.41	.42	.41	.41
No	2.10	1.25	Little Long Lac	710	1.30	1.32	1.30	1.30
			M					
1	4.35	2.52	Macassa	1,125	2.76	2.75	2.70	2.70
1	2.35	1.49	MacLeod Cockshutt	5,822	1.65	1.67	1.55	1.59
1	.76	.48	Madsen Red Lake	5,400	.50	.50½	.50	.50
1	2.96	.85	Malartic Gold	19,000	2.18	2.22	2.18	2.18
No	.22	.04	Mandy	9,400	.20	.22	.20	.22
No	.01	.00½	Man. & Eastern	......	(.00½ bid .00¾ asked)			
1	.04	.01	Maralgo	......	(.01½ bid .04½ asked)			
5	52.25	41.00	McIntyre	605	44.50	45.50	44.00	44.00
1	1.32	.94	McKenzie R.L.	1,950	1.04	1.02	.96	.98
1	.24	.01½	McLellan Gold	16,500	.02	.02½	.01½	.02
1	.09	.04	McVittie Graham	......	(.04½ bid .06 asked)			
No	.25	.08	McWatters	600	.08	.10	.08½	.10
5	.20	.15	Mentor Exploration	......	(.15 bid .42 asked)			
No	1.77	.55	Mining Corp.	2,000	1.30	1.30	1.30	1.30
1	•.05	.05	Moffatt Hall	......	(.01 bid .... asked)			
1	.55	.24	Moneta	1,900	.27	.27	.26	.26
1	.07	.02	Murphy	......	(.... bid .06½ asked)			
			N, O					
1	.31	.20	Naybob	18,400	.23	.23	.21½	.22
1	.75	.45	Negus	......	(.45 bid .50 asked)			
1	.03	.00½	New Golden Rose	......	(.01½ bid .05 asked)			
5	1.37	.75	Nipissing	......	(1.00 bid 1.10 asked)			
No	58.00	45.50	Noranda	2,491	52.00	52.00	48.00	48.00
No	.52	.15	Nor. Canada	......	(.25 bid .29 asked)			
1	.04	.02½	Norgold	......	(.03½ bid .05 asked)			
No	.99	.25	Normetals	7,130	.84	.85	.82	.84
1	5.00	3.75	Northern Empire	......	(2.50 bid 4.00 asked)			
1	1.88	.50	O'Brien	3,200	.90	.90	.85	.90
1	.18	.05	Omega	1,100	.05½	.05½	.05½	.05½
1	.15	.07½	Ontario Nickel	41,200	.09½	.09½	.08½	.09½
1	.09	.04	Osisko	......	(.04½ bid .06 asked)			
			P, Q, R					
No	1.65	.80	Pamour	3,800	.90	.90	.85	.85
1	.08½	.02	Pandora	......	(.03 bid .05 asked)			
1	3.15	2.25	Pato Cons. G.	......	(2.75 bid 3.10 asked)			
1	.05	.02	Partanen Mal.	1,500	.02	.02	.02	.02
1	.01	.00½	Pawnee Kirk.	1,000	.00½	.00½	.00½	.00½
1	.28	.12	Paymaster	500	.17	.17	.16	.17
1	2.10	1.00	Pend Oreille	1,400	1.70	1.65	1.60	1.61
1	1.69	1.25	Perron Gold	6,110	1.35	1.35	1.30	1.32
1	3.10	2.23	Pickle Crow	3,515	2.30	2.33	2.23	2.28
1	2.55	1.90	Pioneer Gold B.C.	400	2.15	2.05	2.00	2.00
1	9.50	8.37	Placer Devel.	......	(.... bid 8.00 asked)			
1	1.17	.50	Powell Rouyn	1,000	.78	.75	.75	.75
1	.95	.52	Premier Gold	1,500	.57	.60	.57	.57
1	3.60	2.70	Preston E. Dome	36,145	3.05	3.20	2.86	3.05
No	.20	.15	Prospectors Air's.	......	(.15 bid .... asked)			
1	.30	.20	Quebec Gold	......	(.... bid .... asked)			
1	.62	.22	Queenston Gold	2,881	.30	.39	.32	.35
No	.05	.02	Quemont	490	.02	.04½	.02	.03
No	.04	.01	Red Crest	......	(.... bid .03 asked)			
1	.39	.10	Reeves McDonald	......	(.31 bid .... asked)			
1	.13½	.09	Reno Gold	2,900	.13	.13½	.12	.13½
1	.05	.02	Roche Long Lac	......	(.02½ bid .03 asked)			
			S, T, U, V, W, Y					
1	2.65	1.85	San Antonio	1,887	1.95	2.00	1.85	2.00
1	.07½	.01½	Sand River	......	(.02½ bid .02½ asked)			
1	.59	.14	Senator Rouyn	6,800	.17	.18	.14	.14
1	.04	.01	Shawkey	......	(.01 bid .... asked)			
50c.	1.00	.73	Sheep Creek	......	(.80 bid .... asked)			
1	1.15	.60	Sherritt Gordon	4,214	.95	.94	.88	.90
1	8.90	5.75	Sigma Mines	103	6.00	5.75	5.75	5.75
1	.69	.45	Siscoe	8,200	.49	.50	.45	.45
1	.47	.15	Sladen Malartic	8,500	.30½	.32	.29	.30
1	.19½	.04½	Slave Lake	78,300	.06	.06	.04½	.05½
1	.15	.02½	St. Anthony	5,500	.03½	.03½	.02½	.03
No	2.09	.81	Steep Rock	22,399	1.80	1.92	1.72	1.88
No	.04½	.01½	Straw Lake	2,000	.01½	.01½	.01½	.01½
1	.24	.09½	Sturgeon River	500	.10	.10½	.10½	.10½
No	1.90	1.10	Sudbury Basin	120	1.56	1.50	1.42	1.42
1	.05½	.01½	Sudbury Contact	......	(.02½ bid .04 asked)			
1	.80	.50	Sullivan Cons.	3,250	.60	.60½	.55	.60
1	2.95	1.85	Sylvanite	2,075	1.98	1.96	1.90	1.90
1	3.75	2.08	Teck Hughes	2,345	2.25	2.26	2.10	2.10
1	.08½	.02	Temiskaming	......	(.03½ bid .05 asked)			
1	1.80	1.00	Toburn Gold	2,450	1.08	1.06	1.04	1.05
1	.22	.08	Towagmac	......	(.12 bid .... asked)			
No	.50	.20	Trans. Resources	2,800	.35	.48	.44	.47
1	.39	.04	Uchi Gold	3,150	.05	.05	.04	.05
	84.00	38.00	Do. Bonds	500	39.00	40.00	40.00	40.00
1	2.28	1.00	Upper Canada	3,120	1.24	1.24	1.12	1.15
No	4.90	2.75	Ventures	323	3.70	3.65	3.25	3.65
No	5.15	3.00	Waite Amulet	1,808	4.75	4.80	4.50	4.70
1	.26	.10	Wendigo	......	(.13 bid .18 asked)			
1	.02½	.01	Wiltsey Coughlan	1,500	.01½	.01½	.01½	.01½
1	.10	.03½	Wood Cadillac	......	(.03½ bid .05 asked)			
No	7.05	2.25	Wright-Hargreaves	5,150	2.80	2.69	2.55	2.56
No	.08	.03	Ymir Girl	2,000	.03	.03½	.03½	.03½

Oil Stocks

Par Val.	High	Low	Company	Sales	Close Jan. 5 (or last)	High for week	Low for week	Close Jan. 12
No	.11½	.04	Acme Gas & Oil	500	.06½	.06½	.06½	.06½
1	.09	.06	Alta. Pac. Cons.	......	(.06½ bid .07½ asked)			
1	.18	.10	Ajax	......	(.12 bid .16 asked)			
No	.81	.46	Anglo Canadian	300	.55	.56	.55	.56
No	.20	.05	Br. Dominion	65,315	.20	.22	.18½	.22
No	.10	.05	Brown Oil	5,200	.07	.05	.05	.05
No	1.49	1.05	Calgary & Ed.	950	1.20	1.20	1.15	1.20
1	.26	.10	Calmont	1,100	.13	.18	.17	.18
No	.26	.18	Commoil	100	.24	.22	.22	.22
No	.30	.19	Common Pete	......	(.27 bid .32 asked)			
No	.32	.20	Dalhousie	1,225	.25	.30	.22	.22
No	.17½	.11½	Davies Pete	500	.17	.15½	.15½	.15½
No	.05	.02½	East Crest	1,000	.03	.02½	.02½	.02½
No	.30	.20	Federated Pete	......	(.... bid .25 asked)			
No	.84	.40	Foothills	......	(.70 bid .78 asked)			
No	•.08	.04	Hargal	......	(.... bid .10 asked)			
No	.20	.06	High Sarcee	4,500	.19½	.20	.19	.20
No	2.67	1.50	Home	14,285	2.58	2.65	2.51	2.63
1	.04½	.01½	Homestead O. & G.	16,000	.03	.04½	.02½	.04½
No	.08	.04	McD. Segur	......	(.... bid .05½ asked)			
1	.20	.15	Model	......	(.19 bid .... asked)			
25c.	.05	.04	National Petroleum	......	(.04 bid .05 asked)			
1	.06	.01	Nordon	......	(.04 bid .06½ asked)			
No	.02½	.01½	Oil Selections	......	(.01½ bid .03 asked)			
No	.78	.35	Okalta	300	.35	.38	.36	.36
No	.04½	.02	Pacalta	4,000	.02½	.03	.02½	.03
1	.27	.15	Pacific Petroleum	......	(.... bid .35 asked)			
No	.30	.25	Petrol Oil & Gas	......	(.30 bid .50 asked)			
No	25.00	16.50	Royalite	255	19.50	19.00	19.00	19.00
No	.30	.10	South West Pete	......	(.15 bid .25 asked)			
No	.04	.01	South End	7,000	.02½	.04	.02½	.04
5	1.60	.75	Texas Can.	900	1.30	1.60	1.50	1.60
No	.06	.02	United Oils	300	.04	.03½	.03½	.03½
1	.11	.01	Vermilata	65,800	.07½	.11	.06½	.10½
1	.34	.20	Vulcan	500	.20	.22	.22	.22

Vancouver Stocks

Par Val.	High	Low	Company	Sales	Close Jan. 5 (or last)	High for week	Low for week	Close Jan. 12
1	.05	.03½	Bayonne	......	(.05 bid .06 asked)			
No	11.70	8.85	Bralorne	1,405	9.15	9.20	8.85	8.90
1	.00½	.00½	Bridge River Cons.	......	(.... bid .... asked)			
1	2.91	1.75	Cariboo Gold	......	(1.70 bid 1.80 asked)			
No	.01½	.00½	Dentonia	......	(.00½ bid .01½ asked)			
No	.01½	.00½	Fairview Amal.	......	(.00½ bid .01 asked)			
1	.15	.10	George Copper	......	(.12½ bid .... asked)			
1	.08½	.03½	Golconda	......	(.05½ bid .... asked)			
50c.	.32	.15	Gold Belt	2,000	.18	.16	.15	.15
50c.	.20	.10	Grandview	800	.17	.16½	.16½	.16½
1	.03½	.01	Grull Wihksne	31,200	.03	.03½	.02½	.03
1	.60	.33	Hedley Mascot	700	.35	.35	.35	.35
No	.00½	.00½	Home Gold	......	(.... bid .... asked)			
1	.01	.00½	Indian Mines	......	(.01 bid .... asked)			
50c.	1.27	.75	Island Mountain	......	(1.05 bid 1.10 asked)			
1	.35	.27	Inter'l Coal	......	(.29 bid .... asked)			
50c.	.28	.20	Kootenay Belle	1,000	.21	.22	.22	.22
1	.25	.20	McGillivray Creek	......	(.20 bid .25 asked)			
No	.03	.00½	Minto Mines	......	(.01½ bid .02 asked)			
50c.	.02	.00½	Nicola	1,000	.01½	.01½	.01½	.01½
1	.10	.03½	Pacific Nickel	......	(.08 bid .... asked)			
1	2.00	1.26	Pend Oreille	700	1.75	1.70	1.62	1.62
1	2.55	1.95	Pioneer Gold	400	2.10	2.15	2.05	2.05
No	.03½	.01½	Premier Border	11,000	.01½	.01¾	.01½	.01½
1	.96	.57	Premier Gold	3,200	.60	.60	.57	.57
No	.63	.44	Privateer Mines	1,770	.46	.60	.46	.47
1	.02½	.01½	Quatsino Copper	2,000	.01½	.02	.02	.02
1	.44	.10	Reeves McDonald	1,100	.45	.40	.40	.40
1	.13½	.10	Reno Gold	3,100	.13½	.13½	.13	.13½
1	•.06½	.04	Sally Mines	......	(.... bid .... asked)			
50c.	.02½	.01	Salmon Gold	......	(.00½ bid .01 asked)			
50c.	1.00	.72	Sheep Creek	400	.82	.84	.84	.84
1	.85	.65	Silbak Premier	......	(.70 bid .75 asked)			
No	.00½	.00½	Silvercrest	......	(.... bid .... asked)			
1	•.05	.05	Sunloch	......	(.... bid .... asked)			
50c.	.15	.07½	Surf Inlet	......	(.... bid .10 asked)			
No	.03	.02	Taylor Bridge	......	(.02½ bid .04 asked)			
20c.	.00½	.00½	Wellington	......	(.... bid .... asked)			
1	.03	.00½	Whitewater	13,000	.03	.03	.02½	.03
No	.08	.03½	Ymir Yankee Girl	......	(.03½ bid .... asked)			

Oil Quotations

Par Val.	High	Low	Company	Sales	Close Jan. 5 (or last)	High for week	Low for week	Close Jan. 12
1	.09½	.05	Alta. Pac. Cons.	......	(.06½ bid .... asked)			
No	.83	.46	Anglo Canadian	......	(.51 bid .... asked)			
No	.08½	.03½	Anaconda	......	(.02½ bid .03½ asked)			
No	.15	.04	Brit. Dominion	......	(.19 Jan. 3)			
No	.07½	.05	Brown Oil	......	(.... bid .... asked)			
No	1.50	1.01	Calgary & Ed.	......	(1.15 bid 1.20 asked)			
1	.26	.12	Calmont	800	.17	.17	.17	.17
No	.28	.18	Commoil	......	(.20 bid .23 asked)			
No	.28	.19	Commonwealth	......	(.27 bid .... asked)			
No	.30	.20	Dalhousie	......	(.21 bid .... asked)			
No	.17	.13½	Davies Pete	......	(.14 bid .... asked)			
No	.04	.02	East Crest	......	(.02 bid .04 asked)			
No	.36½	.21	Federated Petroleum	......	(.... bid .... asked)			
No	.85	.41	Foothills	......	(.65 bid .... asked)			
No	.20	.07	High Sarcee	2,000	.15	.20	.19½	.19½
No	2.66	1.50	Home Oil	650	2.60	2.58	2.51	2.58
No	.01½	.01	Madison	......	(.00½ bid .01½ asked)			
No	.02	.01	Marjon Oil	......	(.01 bid .02 asked)			
No	.07	.04	McD. Segur Ex.	1,000	.04	.04	.04	.04
No	.05	.02	Mercury	......	(.03½ bid .04 asked)			
No	.09	.04	Mill City Pete	......	(.06½ bid .... asked)			
1	.20	.12	Model	1,300	.18	.20	.18	.18
25c.	.05½	.04	National Pete	700	.04	.04	.04	.04
1	.05	.04	Nordon	......	(.03 bid .... asked)			
No	.75	.40	Okalta	500	.42	.40	.40	.40
No	.04	.02	Pacalta Oil	......	(.02½ bid .03 asked)			
1	.26	.18	Pacific Petroleums	......	(.15 bid .... asked)			
No	.15	.04	Royal Canadian	2,000	.04	.04½	.04½	.04½
No	•.10½	.06	Royal Crest	......	(.... bid .... asked)			
No	25.00	17.12	Royalite	......	(19.00 bid .... asked)			
No	.03½	.01	South End	7,000	.03	.03½	.03½	.03½
No	.25	.10	Southwest Pete	......	(.15 bid .... asked)			
1	.05½	.02½	Spooner	......	(.03 bid .... asked)			
25c.	.14	.10	Sunset Oil	......	(.99 bid .... asked)			
No	.06	.03	United	......	(.04 bid .05 asked)			
No	.04½	.03	Vanalta	......	(.03½ bid .... asked)			
1	.38½	.20	Vulcan	......	(.20 bid .25 asked)			

* Quotations for 1940.

Winnipeg Stocks

	Sales	High for period	Low for period	Close Jan. 10
Central Manitoba	400	.02	.02	.02
Marvel Oils	15,000	.02½	.02	.02
United Grain Growers	12	11.00	11.00	11.00

Stocks Not Traded in During Week*

	Bid	Asked		Bid	Asked
Beaver Fire	75	..	Fed. Grain, pf.	..	38
Beav. Lumber, p	103	..	Grouped Inc.	..	4⅜
Do., com.	2½	3	Home Invest.	16¼	..
Can. Indemnity	150	..	Nor. C. Mtge. un	5½	..
Can. Airways	1	..	Nor. Mtg. pt. pd.	1	2
Corr. P. Box	60	..	Traders Bldg.	44	..
Cres. Cream., p.	..	15	West. Brew.	1¾	2½
Dom. Envelope	8	9½	West. Grain, p.	..	7
Dom. Envelope p	96	99	West. Steel	9½	10
Fed. Grain, c.	.35	1.25			

Volume of Stock Sales

	Montreal Markets Indust.	Mines	Toronto Markets Ind. & Mines	Vancouver Markets Ind. & Mines
Jan. 13	5,400	15,200	216,000	......
Jan. 12	4,800	3,200	159,000	23,637
Jan. 10	3,700	8,200	69,000	7,300
Jan. 9	6,900	10,400	159,000	32,965
Jan. 8	4,800	6,800	126,000	14,975
Jan. 7	8,300	5,800	134,000	21,170

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

Jan. 14, 1942

%	Due	Bid	Ask.	Approx. Yld.
Dominion of Canada Bonds				
1½	May '42	100	100¼	...
2	June '42	100¼	100¾	...
3	Oct. '42	101¼	101¾	.77
2½	June '43	101¼	101¾	1.25
5	Oct. '43	105½	106	1.59
2	June '44	100¾	101¼	1.48
a2½	Jan. '44	98¼	98¾‡	2.63
4½	Oct. '44	106¾	107½	1.74
2½	Nov. '44	101¾	102¼	1.62
a2½	Aug. '45	98¾	98¾‡	2.86
a4	Oct. '45	103½	104¼	b1.56
2	Mar. '45	100¼	101	1.68
2	Dec. '46	99	99¾	2.14
4½	Feb. '46	109	109¾	2.02
1½	June '49	102¾	103¼	b2.47
1½	Oct. '49	102½	103	b2.40
3½	Nov. '51	101½	102	b2.93
3½	Feb. '52	101¾	102¼	3.00
5	May '52	101¼	‡101½	b1.93
4	Oct. '52	106	106½	b2.74
3	June '51	99¾	100	3.09
3	Oct. '52	99	99½	3.05
3	June '55	99½	99¾	3.02
4½	Nov. '56	107	107½	b2.80
4½	Nov. '57	107½	108½	b2.90
3	June '58	99½	99¾	3.02
4½	Nov. '58	109	109¾	b2.95
4½	Nov. '59	110	110½	b2.99
a4	Oct. '60	105½	‡106½	b3.15
a3½	Jan. '61	98	99‡	3.32
3½	June '49	102¾	103¼	b2.47
a3e	Jan. '67	95	96‡	3.24
a3e	Nov. '68	95	96‡	3.22
†3	Perpet'l.	94½	95½	3.15
Dominion Guarant'd Bonds				
Can. Nat'l. Railways:				
2	Feb. '43	100¼	101¼	.92
2½	Jan. '46	100½	101¼	1.93
3	May '44	102¾	103¼	1.56
3	Dec. '50	99	100	3.00
3	Feb. '53	98½	99½	3.05
3	Jan. '59	98½	99	3.08
*4½	Sept. '51	115½	116½	2.61
*4½	Feb. '56	116¼	117½	2.98
4½	July '57	116½	117½	3.07
4½	June '55	118½	119½	2.98
5	Feb. '54	117½	118¼	3.16
*5e	July '69	115	116	b.53
*5e	Oct. '69	119½	121	b2.60
*5e	Feb. '70	119	121	b2.67
Grand Trunk Pacific Rly.:				
3	Jan. '62	100	101½	2.90
Provincial Gov't. Bonds				
New Brunswick:				
3	Oct. '51	91½	92½	3.92
3	Aug. '49	93½	95½	3.93
3	June '56	93	95	3.96
c4	Nov. '47	98	100	4.20
c4	Apr. '61	102	104	4.20
c5	Jan. '60	108	110	4.20
Nova Scotia:				
3	Jan. '52	95½	97½	3.29
3	June '56	97	99	3.33
3½	Nov. '50	100	102	3.23
c4½	Sept. '52	106	108	b2.97
c4½	Nov. '60	111	113	3.55
c5	Mar. '60	117½	119½	3.54
Ontario:				
2½	May '45	100	101	2.20
3	Apr. '48	99½	100½	b2.93
3	Nov. '50	98½	99½	3.06
3½	Nov. '51	100	100¾	b3.14
3½	May '55	99½	100½	b3.20
*4	June '62	107	110	3.32
4½	June '50	108½	109½	3.22
*4½	Jan. '62	113	116	3.39
5	Oct. '48	110½	111½	3.11
*5	Dec. '60	120½	122½	3.38
5½	July '46	109	110½	3.01
Ont. Hydro Commission:				
3	Aug. '48	99½	100½	b2.95
3½	Feb. '53	99½	100½	b3.18
3½	Apr. '47	101½	103	2.88
Prince Edward Island:				
4	Mar. '54	100	102	3.80
Quebec:				
3	Nov. '47	97½	99	3.20
3½	Mar. '48	97½	99½	3.34
3½	Mar. '59	97	98½	3.62
4	Nov. '52	101½	103	b3.09
3¾	Feb. '55	100	101½	b3.57
4½	Aug. '58	104	106	3.76
4½	Jan. '63	107½	109½	3.84
Alberta:				
4	Dec. '54	56	59	d
4½	Oct. '51	67	..	d
4½	Oct. '56	59	62	d
*5	Oct. '59	63	66	d
c5½	Apr. '52	65	68	d
6	Mar. '47	70½	72½	d
British Columbia:				
c4	Dec. '57	99	102	3.83
*4½	Jan. '51	104	107	3.57
c4½	Oct. '53	105	108	3.67
c5	Apr. '54	109	112	3.79
5½	Feb. '45	102	105	3.76
6	Feb. '47	105	107½	4.36
Manitoba:				
c4	Dec. '57	93	96	4.33
c4½	Dec. '56	96	99	4.50
*5	Dec. '59	98	101	4.92
5½	Oct. '55	97	100	5.50
6	Apr. '47	99	102	5.55
Saskatchewan:				
4	Sept. '54	75	78	6.53
4	Nov. '60	74	77	6.05
c4½	Oct. '51	87	90	5.84
c4½	Mar. '60	82	85	5.84
5	Aug. '58	85	88	6.17
5½	Oct. '52	90½	93½	6.25
6	Mar. '52	92	94½	6.74

*-Payable Can., N.Y. and £. b-Calculated to call date giving lowest possible yield. c-Payable Can. & N.Y. e-Payable N.Y. †-Callable on or after Sept. 15, 1966. d-Traded flat. Interest being paid at 50% of coupon rate, minimum rate 2%. a-Callable at a premium. ‡-N.Y. funds. ▴-Calculated to 1950 average maturity.

Unlisted Stocks

Furnished by A. J. Pattison, Jr. & Co., Toronto

Jan. 13, 1942

	Bid	Ask.
Industrials:		
Acme Farm., pf.	46	..
Andian National	29½	31½
Anglo S. Tel., A	7½	8
Atlas Steel	20	22
Barrymore, pfd.	35	..
Brant. Roof.	2½	..
B. C. Pulp, c.	7	10
Do., pfd.	..	68
B. C. Sugar	72	75
B. C. Tel., 1st p.	110	114
Brown, com.	1¾	1¾
Brown, pfd.	29	31½
Burns & Co., A	4	5¾
Do., B	2	3
Can. Co-op. Wl.	8	..
Can. Indust., A.	160	..
Can. Ing. Rand	70	77
Can. Mot. L.A.B.	3	..
Can. Tube, 1st p	78	83
Chase, A. W., p.	17½	19½
Claude Neon, p.	2½	3½
Colonial Steam.	33	36
Copeland Fl. un.	14½	16
Colonial Realty.	2½	..
Dunlop T. p. $25	22	23½
Easy Wash. p $10	10	11½
Galt Brass, c.	9½	..
Goderich Elev.	6½	7½
Guard. Realty p	10	13
Guelph Carp., c	17½	19
Gurney Fdry., p.	1¾	1¾
Hayes Steel, c.	14½	16
Hi'land Dairy, p	48	51½
Inglis, John	3½	5
Ingram & Bell p	95	..
Kingst. Ship. un	36	37
Do., com.	5½	5¾
Loblaw. Inc., c	11	12¾
Minn.&Ont. P. c.	5	5½
M'row Screw, p.	104	105½
Do., com.	13	16
Morrison Br. un	7½	..
Moirs, Ltd.	19	21½
Neilson, Wm., p.	100	..
N. Meth. Ldy., p.	56	59
Ont. Tobacco, p.	17½	19½
Pac. C. Term., c.	..	7
Prov. Paper, pf.	100	102¾
Quinte Milk	2¾	3½
Ruddy, E. L., p.	20	24
Stand. Fuel, p.	52½	56
Stedman, pf. $50	57	60
Sutton Horsley	1	1½
Tor. Carpet, c.	47½	..
Do., pfd.	66	70
Un. F. Co-op.	2¾	3½
Un. Steel, A pf.	21½	23¾
Viceroy Mfg., c.	12	..
Trusts & Loan Stocks:		
Brit. Mtge.	122	132
Brockville Tr.	42	..
Capital Tr.	29	32½
Comm. Fin., c.	4½	..
Grey&Br. Tr. $50	43	..
Guaranty Trust.	100	103
Guelph & O. $50	50	53½
Indust. Mtge.	24	..
Lambton Loan	30	33
Midland Loan	14	16
Premier Trust	39½	43
Sherbrooke Tr.	120	..
Sterling Trust	51	56
Th. Can. Inv. Tr.	1¾	..
Traders Fin. A c	5	8
Do., A pfd.	68	73
Trusts&Gr. new	36½	40
Victoria Trust	70	75
Waterloo Trust	100	..
Insurance Stocks:		
Canada Life	370	380
Brit. Amer.	50	53
Canadian Fire	78	82
Confed. 30% pd.	125	135
Cons. Fire Cas.	3½	..
Continental L.	35	38
Crown, fully pd.	265	285
Dominion Fire	136	144
D. of Can. Gen.	110	120
Empire, 25% pd.	5	6
Excelsior 38% pd	70	74
Great-West Life.	195	205
Federal, 25% pd.	52½	56
Halifax Fire	17	18½
Imperial Life	265	285
Manufac. Life	210	220
Monarch Life	33	36
National Life	15	19
Sov. L. 25% pd.	12½	..
Sun Life	285	300
Tor. General	4½	5
Wellington Fire.	58	..
Western Assce.	43	48
Theatre Stocks:		
Allen's, St. Cath., units	52	..
Loew's London p	2½	3½
Mansf. Theat. p.	29½	32
Para., Kitch., p.	50	..
Do., Oshawa, c	8	10
Investment Trust Shares:		
Can. Investors	5	6
Inv. Found. un.	43	44½
Sec's. Hold., pf.	17½	20
United Corp., A	19	21½
Do., B	4½	5
Power Issues:		
Can. W. N. Gas	26	..
Do., pfd.	102	..
Gt. Lakes Pr., p.	103	105
Int. Util. $1.75 p	8	14
Do., $3.50 pf.	28	..
Mtl. Isl. Pwr. p.	41	..
Nor. Ont. Pr. p.	70	75

Unlisted Mines

Toronto, Jan. 13, 1942

	Bid	Ask
Albany R (old)	.03	.05
(new)	.08	.10
Amal K	.05½	.06½
Anoki	.03	.10
Aquarius	.20	.24
Arjon	.04	.05
Armistice	.06	.08
Argosy	.05	.08
Area	.02½	.03½
Athona (old)	.00½	.02
(new)	.01	.02
Barb L	.03	.04
Brock	.06	.08
Cald B	.02	.03
Can Rad	.08	..
Cent M	.01½	.02½
Cheminis	.03¾	.04½
Coin La	.02	.03
Cons Ch	.04	.06
Croscourt	.03½	.05½
Dayton	..	.01½
Delpine	.04	.05½
Demp C	.00½	.00¾
Desantis (new)	.08½	.12
Dona P	.01	.01½
E'ward	.06	.09
Elmos	.04	.07
Franco	.25	.20
Galore	.00½	.01½
G'drock	.15½	.17½
Gilbec	..	.01½
Hayes C	.02¾	.03
Hoyle n	.10	.12
Hu PaP	.03	.04
Hutch L	.01	.02
Keora	..	.01½
Kewag'a	.01	.03
Kiena	.01	.03
Kirk Ga	.00½	.01½
Kirk To	.07	.08½
Lacoma	.00¾	.01½
Laguerre	..	.15
La Duf	.17	.19
La Gen	.05	.06½
Largcld	.20	.23
Lw Pete	.14	.19
Lunward	.19	.21
Magn C	.52	.55
Magn L	.10	..
Marbenor	.23	.25
Mart B	.01½	.02½
Mata Ca	.02½	.03½
Mata Co	.15	.19
McMar	..	.24
Mof H n	.01	.02
Mooshla	.00¾	.02
Mosher	.08½	.10
McMan	..	.24
Nat Mal	.31	.34
Nick O	1.50	2.00
Norbeau	.15	.23
Northland (1940)	..	.03
Norwin	..	.04
New Mal	..	.16
Newbee	..	.01½
N Ribago	.00½	.01
Nu'lake	.10	..
O'Lea M	.03	.04
Oklend	.03	.04
Opemiska	.04	.08
Orpit	.05	.05½
Ossian	.00½	.01
Pascalis	.22	.25
Pontiac R (old)	.01½	.04
Pelangio	.01½	.03
Polaris	.01½	.05
Propri'y	4.00	4.25
Presdor	.04½	.06
Que Mn	.16½	.18
Rahn La	.00¾	.01½
Rand M	.11	.13
Red Lake	..	.01½
Ritoria	.01	.02½
Rouge	.03	.06
S.A.G.A.	..	1.00
Sachigo	4.00	4.25
Senore	.01½	.03
Sepha	..	.13
Shenango (new)	..	.18
Sheldon	.04	.05½
Skynner	.01	.02
Smelters	..	.01
Springer	.11	.13
Stadac'a	.07	.10
Thomson	.13	.15
Tobico	..	.06
Union M	.03	.04
Wesley	.01½	.03
Y David	.18	.21

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

Jan. 13, 1942

	Int. Rate %	Due	Bid Jan. 13	Asked	Bid Jan. 6
Public Utility Issues:					
▴†Alg. C. H.B.R.	5	'59	9½	11½	9½
†Assoc. Tel. & T.	5½	'55	66½	69½	66
B. C. Power	4½	'60	99	101	99
B. C Tel.	4½	'61	105	107	105½
†Calgary Pwr.	5	'60	105½	107½	105½
Do.	5	'64	103	105	103
†Can. Nor. Pwr.	5	'53	102	104	102
*Dom. Gas & El.	6½	'45	99½	102½	100
Gatineau Pwr.	5	'49	100	102	100½
*Do., A	3½	'69	101	103	101
▴Do., B	3¾	'69	100	102	100½
Gt. Lakes Pwr.	4½	'56	96	99	96½
Do.	5	'57			
*Int. Hydro-El.	6	'44	33	36	33
▴Inter. Power	6	'55	101	...	101
L. St. Law. Pwr.	5	'55	100	102	100
Macl'n-Que. Pr.	4	'59	100	102	100½
Mtl. L. H. & Pr.	3½	'56	104	106	104
Do.	3½	'73	102	104	102
Do.	3½	'63	103½	105½	103½
†Mtl. Tramways.	5	'41	99½	101½	99½
†Do.	5	'55	73	76	74
Nat. Lt. & Pwr.	6	'49	101½	103½	101½
N. S. Lt. Pr.	4	'57	102	104	102
Ottawa L.H.&P.	4	'57	101	103	101½
Ottawa V. Pwr.	5	'59	93½	96½	92½
†Power Corp.	4½	'59	103	105	103
Quebec Pwr.	4	'62	107	...	107
*Saguenay P.	4½	'66	105½	...	105½
▴Do., B	4½	'66	102½	104½	103
St. Maurice Pr.	4½	'70	103	105	103
Shaw. W. & Pr.	4	'61	103	105	▴103
Do.	4	'69	102½	...	102½
Union Gas	4½	'50	102½	...	102½
*Twin C. R. Tr.	5½	'52	77½	80½	79½
†United Secs.	5½	'52	42	45	42
‡Wpg. El. ser. A.	5	'65	80	83	80
Do., B	5	'65	63½	66½	64
Industrial and Realty Issues:					
†Abitibi P. & P.	5	'53	72	75	75
Do., C.O.D.	5	'53	71	74	74½
Acadia Sugar	4½	'55	101½	103½	101½
Do.	6	'54	98	101	98
†Alta. Pa. Grain	6	'46	103½	105½	103½
Algoma Steel	5	'48	99	102	100
Atlantic Sugar	4	'51	101	103	100
†B. C. Pulp & P.	6	'50	93½	96½	93
‡†Do.	7	'50	108	...	108
*Brown Co.	5½	'46	68	71	71
Burns & Co.	5	'58	75	78	73
Canada Cement	4½	'51	102	105	102½
Canada Electric	4½	'65	96½	99½	96½
Can. Paper	4½	'52	101	...	101½
Can. Steamships	5	'57	100½	102½	100½
Can. Canners	4	'51	101½	103½	101½
*Can. Int. Paper.	6	'49	105	107	104½
‡Can. Locomotive	6	'53	103	106	103
‡‡Candn. Vickers	6	'47	89	92	91½
C. P. R.	3½	'51	96	98	96
Do.	4	'49	99½	101½	100
Do.	6	'42	99½	101½	100
Col. Steamships	6	'54	101	103	101
†Consol. Paper	5½	'61	77	80	79
Dom. Coal	4½	'52	101	104	101
Dom. Scott. Inv.	4	'52	98	...	98
Dom. Stl. & C.	6½	'55	103½	106½	103½
Dom. Tar	4½	'51	101	104	100
Dom. Woollens.	6	'53	96	99	96½
†Donnacona Pap.	4½	'56	76½	79½	79
*Dryden Pap.	6	'49	100½	103½	100½
†East. Dairies	6	'49	80	83	80
Famous Players	4½	'51	98½	101½	98
†Federal Grain	6	'49	102	104	102
†Fraser Cos.	6	'50	102	104	102
Galt Brass	5	'50	92	...	92
Gen. Stl. Wares	4½	'52	100½	103½	100½
*Gt. L. Paper	5	'55	94	97	94½
*Gurney Fdry.	5½	'49	85	89	85
†Gypsum Lime	5½	'48	102	105	101½
Ham. By-Pr. C.	5	'55	102	104	102
Do.	6	'56	100	103	100
Ham. Cotton	4½	'50	100½	102½	100½
Inter-City Bak.	5½	'48	102	104	102
Indust. Accept.	4	'52	78½	81½	78½
Ins. Ex. Bldg.	3	'51	45	48	45
*Inter. P. Nfld.	5	'68	97	100	98
*Inv. Bond & Sh.	5	'47	42	45	42
†Kingston Elev.	6	'50	104½	107½	105½
Lake St. J. P.	5½	'61	90½	93½	91
Do.	5	'61	73	76	73½
Legare	6	'61	91½	94½	91
Maple L. M.	3	'58	76½	79½	77
Mar Sugar	5	'60	99	102	99½
Massey-Harris	4½	'54	92	95	91½
McColl-Fron.	4½	'49	102	105	101
*McCormicks	4	'52	97	100	97
Do.	5	'52	104	106	103½
Mercury Mills	5	'59	94	97	94½
Mersey Paper	5	'57	97½	100½	98

Supplementary Stock Quotations

(Furnished by Plaxton, Cherry & McDonnell, Toronto)

Jan. 13, 1942

Miscellaneous Stocks:	Jan. 13		Jan. 6
†Allens Tor. Th., p.	32½	35	32
Atlas Steels, 7% pfd.	105	106½	105
Brinton Peterboro Cpt.	40	..	39¾
Can. Col. Airways	2	3	2½
*Can. Gen. Rubber, pfd.	21	25	22½
Can. Mach., new c.	7¾	..	7¾
C.P.R. 4% pfd. (£ par)	1.90	2.60	1.85
Cap. Wirecloth, p.	18½	22½	18½
Cawthra Apts., pfd.	1¾	2¾	2
Comm. Life, 10% pd.	6	7¾	6½
Corrug. Paperbox, c.	1	..	1
Dom. Alloy & Steel, c.	.10	.35	.10
Do., pfd.	.10	.35	.10
Dom. Life, 70% pd.	176	195	175
Dover Industries	6¾	7½	6½
Eastern Steel, pfd.	19¾	21	20
†Fort W., Hotel, units	45½	49½	45¾
Hart Battery, com.	4½	5	4¾
Imperial Varnish, c.	9.05	10	9½
Indust. Accept., 5% p.	65	68½	67
London & West. Trusts	33	36	33½
*Monarch Mtge. Inv. un.	.30	.50	.35
Mount Royal, new com.	3	3¾	3.05
Murphy Paint, com.	9	9¾	9.05
Do., pfd.	88½	91	88½
Nat. Hosiery, com.	.60	.90	.60
Do., pfd.	.80	1.10	.80
†N. Amer. Elevator, p.	79¾	..	78¾
St. John Dry D., p.	99	101½	99½
Seal-o-Sac	.70	1.00	.75
Tip Top Tailors Inc., un.	12	14	13½
Traders Finance rts.	11	13½	11½
Viceroy Mfg., 6% pfd.	23	24	23
Waterloo Mfg., new c.	.50	.90	.55
Wentworth Radio, p.	2.15	2.90	2.10
West. Can. Hydro, pfd.	10½	11½	10½
West. Life, 10% pd.	9½	10½	9½

*Issue carries arrears.
†Currently paying on arrears.

Corporation Bonds (Cont'd)

	Int. Rate %	Due	Bid Jan. 13	Asked	Bid Jan. 6
†Do.	6	'49	99½	..	99½
*M. & O. Paper	5	'60	98½	100½	95
Moirs Ltd.	6	'53	90	..	90
‡Mtl. Drydocks.	6	'48	82	86	82
Montreal Apts.	4	'54	51	54	57½
Nat. Grocers	4	'47	101½	..	..
N. S. Stl. Coal	3½	'63	83	86	83
Price Bros.	5	'57	98½	101½	98½
Do.	4	'57	84½	87½	86
*Prov. Paper	5½	'47	105	..	105
Reliance Grain.	4½	'52	96	99	96
†Restigouche Co.	6	'48	101½	103½	101½
Rolland Paper	4½	'51	102	104	102½
Ruddy, E. L.	6½	'48	101	103	101½
Silv. Dairies	6	'66	93½	96½	93
Simpsons, Ltd.	4½	'51	101½	104½	101½
Smith, Howard.	4½	'51	103	106	103
Stand. Lime	6	'44	97½	..	97½
Sterling Coal	6	'45	99½	..	99½
Stop Shop	3	'47	57½	60½	57½
United Corp.	5	'53	93½	96½	93
*United Gas	5½	'48	104½	..	104½
United,Gr. Grs.	5	'48	100½	..	100
†Western Grain	6	'49	65	68	65

*Payable in Can. or U. S.
†Payable in Can., U. S. or U. K.
°Payable in U. S.
▴Payable in Canada only.
▴Payable in Can. or U. K.
‡Traded without accrued interest.

Municipal Bonds

Jan. 13, 1942

	%	Due	Bid	Ask	Yld. %
†Halifax	5	1961	113.00	115.00	3.90
Hamilton	5	1950	109.25	112.25	3.35
Montreal	5	1945	93.00	95.00	6.80
Ottawa	4½	1945	104.65	107.15	2.50
†Quebec	5	1959	109.00	112.00	4.17
Saint John	5	1950	102.00	104.00	4.45
†Toronto	4½	1955	111.00	114.00	3.35
†Vancouver	5	1950	100.00	104.00	4.44
Winnipeg	5	1944	101.00	104.00	3.63

†Payable Can. & N.Y.

Investment Trusts

	Bid	Asked
Affiliated Funds	2.08	2.27
Can. Amer. Trust	3.00	3.35
Can. Inter. Trust	3.75	4.50
Can. Invest. Fund	3.10	3.45
Corporate Investors	5.59	6.00
Trans-Canada	9.40	10.25

nual Meetings

Company	Place
entral Canada Loan	Toronto
nperial Life	Toronto
xcelsior Life	Toronto
oreign Power Sec.	Montreal
ontinental Life	Toronto
nited Distillers	Vancouver
Barcelona Traction	Toronto
Mutual Life	Waterloo

ining Dividends

	Rate	Jan. 12	Yield %
uronian	▲10c	2.35	..
nterests	†4c	.35	..
Gold	16c	1.40	11.4
e	†1c	.05¼	..
Gold	16c	.92	17.4
River	†3c	1.00	..
ne	80c+40c	8.70	*13.8
n Porc.	12c	.59½	20.2
o Ankerite	▲30c	2.65	..
Gold	$3	12.00	..
Malartic	8c	.45	17.8
oo Gold	16c+8c	1.72	*13.9
al Patricia	16c+6c	1.27	*17.3
erville	15c	1.40	..
nour Willans	6c	.55	10.9
gas	▲17½c	1.25	..
urum	16c	.90	17.8
Smelters	$1+$1.50	38.25	6.5
ite	▲6c	.65	..
e Mines	$2	16.00	12.5
Malartic	▲20c	2.18	..
onbridge	20c	3.30	..
ncoeur Gold	▲4c	.38	..
d Belt	▲2c	.15	..
ndview	▲1⅓	.16½	..
ll Wihksne	†½c	.03	..
lnor	60c	2.50	24
rd Rock	▲8c	.52	..
dley Mascot	8c	.35	22.8
llinger	65c+45c	10.12	*10.8
wey Gold	▲4c	.18½	..
dson Bay	$2	26.50	7.3
piration	†2c	.27	..
er. Nickel, com.	$2	34.25	5.8
and Mountain	▲18c	1.10	..
son	4c	.26	..
rr-Addison	▲35c	4.00	..
rr Lake	5c	.22	..
rkland Lake	10c+1c	.55	*19.9
otenay Belle	▲8c	.22	..
maque Gold	40c+15c	3.85	14.3
ke Shore	$1.40	11.25	12.4
itch	8c	.41	19.5
ttle Long Lac	▲20c	1.30	..
acassa	32c+3c	2.70	*12.9
adsen R. Lake	▲3c	.50	..
alartic Gold	10c	2.18	..
cGillivray Coal	2c	.22½	..
cKenzie Red L.	12c	.98	12.2
oneta	8c	.26	..
cIntyre-Porc.	$2.22+$1.11	44.00	*7.5
acLeod-Cockshutt	10c	1.59	..
aybob Gold	4c	.22	..
egus	7½c	.45	..
ipissing	15c	1.00	15
oranda	$4	48.00	8.3
North Empire	▲40c	3.75	..
O'Brien Gold	10c	.90	..
Pamour Porc.	18c	.85	..
Pato Cons.	20c+2c	3.00	*7.3
end Oreille	†6c	1.61	..
erron Gold	16c+9c	1.32	*18.9
oneer, B.C.	40c	2.00	20
ickle Crow	40c	2.28	17.5
lacer Develop.	$1.20	8.37	14.4
remier	11c	.57	19.3
reston E. Dome	20c+10c	3.05	*9.8
ivateer Mines	12c+4c	.47	..
ebec Gold	2c	.30	..
n Antonio	14c+6c	2.00	*10
eep Creek	16c+1c	.84	*20.2
erritt Gordon	10c	.90	..
ma Mines	▲30c	5.75	..
lbak Premier	16c	.70	22.8
scoe	▲8½c	.45	..
rgeon River	4c	.10½	..
dbury Basin	▲5c	1.42	..
llivan Cons.	▲8c	.60	..
rf Inlet	▲2c	.07½	..
lvanite Gold	28c	1.90	14.7
ck-Hughes	40c	2.10	19
burn	12c+6c	1.05	*17.2
per Canada	▲14c	1.15	..
ntures	▲20c	3.65	..
aite Amulet	40c	4.70	..
endigo	3c	.12	..
ight-Harg.	40c+20c	2.56	*23.4
mir Yankee	2c	.03½	..

▲Paid in 1941. *Yield including bonus.
†Initial.

Dividends Declared

	This payment	Date payable	Date of record
Argus Interests	4c	Jan. 22	Jan. 3
Anglo-Huronian	10c	Jan. 23	Jan. 9
Ault & Wiborg, p.	$1.37½	Feb. 2	Jan. 15
Anglo Can. Tel., p	68¾c	Feb. 2	Jan. 15
Atlas Steels	15c	Feb. 1	Jan. 16
Do., 1st pref.	$1.75	Jan. 2	Dec. 16
Do., 2nd pref.	$1.75	Nov. 15/41	Nov. 1
Avalon Tel.	$1.75	Jan. 2	Dec. 31
Do., pref.	87½c	Jan. 2	Dec. 15
Do., 6% pref.	75c	Jan. 2	Dec. 15
Beatty Bros., 1st pf.	$1.50	Feb. 2	Jan. 15
B.C. Packers	*$1.50	Mar. 16	Feb. 28
Bank of Toronto	$2.50	Mar. 2	Feb. 14
Bayonne Cons. M.	°1c	Jan. 30	Jan. 15
Bathurst P & P., A	25c	Mar. 2	Feb. 13
B.C. Tele., 2nd pf.	$1.50	Feb. 1	Jan. 17
Calgary Power, p.	$1.50	Feb. 2	Jan. 15
Can. Pac. Rly. pfd.	2%	Feb. 1	Jan. 1
Can. Bronze	37½c	Feb. 2	Jan. 9
Do., extra	50c	Feb. 2	Jan. 9
Do., pref.	$1.25	Feb. 2	Jan. 9
Can. & For. Secs.	6c	Feb. 2	Jan. 16
Can. Nor. Pwr.	■15c	Jan. 26	Dec. 31
Command Oils	2c	Jan. 30	Jan. 10
Can. South. Rly.	$1.50	Feb. 2	Dec. 22
Can. Bk. of Comm.	$2	Feb. 2	Dec. 31
Can. Cel., inc. fd. rts.	$1	Mar. 17	Dec. 31
Cockshutt Plow	25c	June 18	June 4
Can. Converters	50c	Jan. 31	Dec. 31
Capital Trust	$1	Mar. 1	Dec. 13
Coast Brew.	3c	Feb. 2	Jan. 15
Can. Investors	10c	Feb. 1	Jan. 17
Canadian Oil, c.	25c	Feb. 16	Jan. 31
Caldwell Linen, 1st p	38c	Feb. 1	Jan. 15
Do., 2nd pref.	20c	Feb. 1	Jan. 15
Dist. Corp. Seag. p	†$1.25	Feb. 2	Jan. 20
Dom. Oilcloth	30c	Jan. 30	Jan. 15
Do., extra	10c	Jan. 30	Jan. 15
Davies Pete.	1c	Jan. 20	Jan. 5
Dom. Scot. Inv., p.	■50c	Mar. 2	Feb. 20
Dominion Tar, pf.	$1.37½	Feb. 2	Jan. 16
Dominion Bank	$2.50	Feb. 2	Jan. 15
Detroit Int. Bridge, c	†25c	Jan. 24	Jan. 3
Dome Mines	■50c	Jan. 20	Dec. 31
Dom. of C. Gen. Ins.	6%	Jan. 19	Dec. 18
Do., bonus	3%	Jan. 19	Dec. 18
East. Steel, c.	$1	Feb. 2	Jan. 15
Do.,	25c	Mar. 2	Feb. 16
Farmers' Tele.	63c	Jan. 30	Dec. 31
Foundation Co.	25c	Jan. 20	Dec. 31
Do., extra	25c	Jan. 20	Dec. 31
Gull-Wihksne G.	■°½c	Jan. 30	Jan. 15
Hollinger Cons.	5c	Jan. 28	Jan. 14
Hyd. El. Sec., B p.	25c	Feb. 1	Jan. 15
Inter. Utilities, p	▲†87½c	Feb. 1	Jan. 20
Inter. Nickel, pref.	†$1.75	Feb. 2	Jan. 3
Inter. Metal, pfd.	$1.50	Feb. 2	Jan. 15
Do., pref. A	$1.50	Feb. 2	Jan. 15
Imperial Bank	$2.50	Feb. 2	Dec. 31
Kerr Addison	5c	Feb. 28	Feb. 10
Lake Dufault M.	*2c	Jan. 20	Jan. 2
Lamaque Gold	■10c+5c	Feb. 2	Jan. 9
McIntyre Porc.	55½c	Mar. 2	Feb. 2
Montreal L. H. & P.	38c	Jan. 31	Dec. 31
Melchers Dist., pfd.	30c	Feb. 16	Feb. 2
Penmans	75c	Feb. 16	Feb. 5
Do., pref.	$1.50	Feb. 2	Jan. 21
Power Corp.	■15c	Feb. 2	Dec. 31
Quebec Power	25c	Feb. 25	Jan. 26
Rolland Paper, c.	15c	Feb. 14	Feb. 4
Rolland Paper, pfd.	$1.50	Mar. 2	Feb. 14
South Can. Pwr.	20c	Feb. 16	Jan. 31
Shawinigan W.	23c	Feb. 25	Jan. 26
Steel of Can.	75c	Feb. 2	Jan. 7
Do., pref.	75c	Feb. 2	Jan. 7
Sher.-Williams, c.	15c	Feb. 2	Jan. 15
Saguenay Pwr, p.	$1.37½	Feb. 1	Jan. 15
St. Law. Flour	35c	Feb. 2	Jan. 20
Do., pref.	$1.75	Feb. 2	Jan. 20
Stand. Chemical	50c	Jan. 31	Dec. 31
Silbak Premier	4c	Jan. 26	Jan. 5
Teck-Hughes	■10c	Feb. 2	Jan. 9
Toburn Gold	3c	Feb. 23	Jan. 22
Do., extra	1c	Feb. 23	Jan. 22
Unit. Distillers	10c	Jan. 21	Jan. 15
United Corp., A	38c	Feb. 16	Jan. 15
Weston, Geo., pref.	$1.25	Feb. 2	Jan. 15
Wood, A. J., p.	$1.75	Feb. 1	Jan. 15
Zeller's	20c	Jan. 31	Jan. 15
Do., pref.	37½c	Jan. 31	Jan. 15

†Payable in U. S. funds
■Subject to approval of Foreign Exchange Control Board. *Initial.
▲Subject to approval of S.E.C.

Weekly Bank Clearings

	Jan. 8 1942 $	Change Year Ago %	Dec. 31 1941 $
Halifax	4,747,493	+22.3	2,639,296
Saint John	2,743,037	+12.3	2,028,017
Moncton	1,398,542	+55.4	967,904
Sherbrooke	1,070,807	+0.9	984,462
Quebec	5,697,774	—4.3	4,842,747
Montreal	161,575,455	+74.6	110,662,205
Ottawa	87,524,718	+24.0	39,415,595
Kingston	1,070,153	+31.6	624,600
Peterborough	947,683	+44.4	573,912
Toronto	185,173,255	+40.8	110,692,507
Hamilton	8,836,395	+26.9	5,828,665
Kitchener	1,655,712	+28.3	1,148,549
Brantford	1,451,431	+21.2	878,882
London	3,958,844	+21.0	2,429,230
Chatham	821,326	+36.3	489,927
Windsor	4,518,550	+17.1	4,242,506
Sarnia	631,929	+12.1	
Sudbury	1,259,734	+20.3	1,042,963
St. Catharines	1,492,122	....	1,290,671
Fort William	1,118,966	+4.0	930,049
Winnipeg	57,046,485	+35.3	38,154,668
Brandon	577,570	+35.2	678,882
Regina	5,230,692	+23.9	3,187,952
Moose Jaw	806,927	—5.5	842,437
Saskatoon	1,965,999	+25.1	1,249,430
Prince Albert	570,455	+44.2	386,309
Edmonton	6,821,299	+26.6	4,722,755
Calgary	7,894,809	+22.8	5,563,960
Lethbridge	708,575	+10.7	426,541
Medicine Hat	392,112	+13.8	269,743
N. W'minster	974,331	+42.8	698,340
Vancouver	24,118,551	+27.6	17,013,827
Victoria	2,123,691	+8.6	1,388,508

DIVIDEND NOTICES

The Bank of Toronto

ANNUAL MEETING

The Annual Meeting of the shareholders will be held at the Head Office of the Bank, King and Bay Streets, Toronto, on Wednesday, the Twenty-first day of January, 1942, the chair to be taken at noon.

F. H. MARSH,
General Manager.

The Canadian Bank of Commerce

Dividend No. 220

Notice is hereby given that a dividend of two per cent in Canadian funds on the paid-up capital stock of this Bank has been declared for the quarter ending 31st January, 1942, and that the same will be payable at the Bank and its Branches on and after Monday, 2nd February next, to shareholders of record at the close of business on the 31st December, 1941. The Transfer Books will not be closed.

By Order of the Board,
A. E. ARSCOTT,
General Manager.

Toronto, 12th December, 1941.

The Dominion Bank

Dividend No. 237

Notice is hereby given that a dividend of two and one-half per cent upon the paid up Capital Stock of this Institution has been declared for the quarter ending 31st January, 1942. The dividend will be payable at the Head Office of the Bank and its Branches on and after Monday, the 2nd day of February, 1942, to shareholders of record of the 15th January, 1942.

By Order of the Board.
ROBERT RAE,
General Manager.

Toronto, 11th December, 1941.

The Sherwin-Williams Company of Canada, Limited

Notice is, hereby, given that a dividend of Fifteen Cents (15c) per share has been declared on the no par value Ordinary Stock of the Company, payable to Shareholders of record the fifteenth day of January, 1942, and that cheques will be mailed on February 2nd, 1942.

Books not closed.

By Order of the Board.
P. W. HOLLINGWORTH,
Secretary-Treasurer.

Montreal, P.Q.
December 13, 1941.

British Columbia Packers Ltd.

Notice is hereby given that subject to the necessary approval being obtained from the Foreign Exchange Control Board the Directors of British Columbia Packers Limited have declared a dividend of one dollar and fifty cents ($1.50) per share, payable by cheque to be issued at Vancouver on 16th March, 1942, to shareholders of record at the close of business on February 28th, 1942. Shareholders holding certificates in street form are requested to surrender such certificates to the Company's Transfer Agents, the London and Western Trusts Company Limited, at its office in Toronto or Vancouver, or the Chartered Trust and Executor Company at its Montreal office, so that they may become registered as the owner of such shares before 28th February, 1942. Dated at Vancouver, B.C., this 30th day of December, 1941.

By Order of the Board.
A. HAMILTON,
Secretary.

Penmans Limited

Dividend Notice

NOTICE is hereby given that the following Dividends have been declared for the quarter ending the 31st day of January, 1942.

On the Preferred Stock, one and one-half per cent (1½%), payable on the 2nd day of February to Shareholders of record of the 21st day of January, 1942.

On the Common Stock, seventy-five cents (75c) per share, payable on the 16th day of February to Shareholders of record of the 5th day of February, 1942.

By Order of the Board.
C. B. ROBINSON,
Secretary-Treasurer.

Montreal,
January 5, 1942.

Hollinger Consolidated Gold Mines Limited

DIVIDEND NUMBER 353

A regular dividend of 1% has been declared by the Directors on the Capital Stock of the Company, payable on the 28th day of January, 1942, to shareholders of record at the close of business on the 14th day of January, 1942.

Dated the 7th day of January, 1942.

P. C. FINLAY,
Secretary.

Privateer Mine Limited

Dividend No. 13

NOTICE is hereby given that a dividend of three cents (3c) per share plus an extra of one cent (1c) per share has been declared by the Directors of Privateer Mine Limited, payable in Canadian Funds, on the 10th day of February, 1942, to shareholders of record on the 25th day of January, 1942.

By Order of the Board.
W. S LANE,
Secretary.

Vancouver, B.C.
January 9th, 1942.

Anglo-Canadian Telephone Company

Preferred Dividend Notice

NOTICE is hereby given that a dividend of One and Three-Eighths per cent (1⅜%) has been declared on the 5½% Cumulative Preferred Stock of the Company for the quarter ending January 31, 1942, payable February 2, 1942, to Stockholders of record at the close of business on January 15, 1942.

By Order of the Board.
CAMERON HOUGH,
Secretary.

Montreal, January 7, 1942.

FOR SALE
Guelph Carpet Com.
A. J. Pattison, Jr. & Co.
Royal Bank Bldg., Toronto
EL. 5101

Company Reports

Canada Cement

Canada Cement Co. reports net profits for the year ended Nov. 30, 1941, equivalent to $8.12 a share on its preference stock against $6.63 a share for the preceding year. Full dividends of $6.50 a share were paid last year, leaving arrears of $34.25 a share. On the common stock, the balance available from last year was equivalent to 54 cents a share compared with four cents for 1940.

The company shows further strengthening of its liquid position and now holds cash of $2.3 millions and government bonds of $901,000. Working capital of $4.1 millions compares with $2.7 millions a year ago.

Mortgage on the Canada Cement building, Montreal, has been reduced by $50,000 to $545,000. No change is reported in the 4¼% first mortgage bonds outstanding which remain at $10.5 millions.

J. D. Johnson, president, states there was a good deal of building activity last year with a consequent increase in the company's shipments. Demand was fairly general across the country with war plant construction contributing substantially.

Mr. Johnson expects "a fair volume of business" for 1942 in spite of the fact that peak of war plant construction may have been reached and ordinary building and non-war activities may suffer considerably from priorities for war purposes.

Capital expenditures last year were "fairly heavy," chiefly at the plants in Montreal East, Hull and Exshaw, Alta. These expenditures were nearly all in the nature of replacements and improvements such as new stockhouses at Hull, general rehabilitation at Exshaw and additions at Montreal East for more economical production of "High Early Strength Cement."

Consol. Income and Surplus Account
Years Ended Nov. 30

	1941 $	1940 $
Operating profit†	5,724,630	5,224,221
Add: Invest. income	32,012	28,787
	5,756,642	5,253,008
Net earnings		
Less: Depreciation	1,750,000	1,500,000
Bond interest	442,283	505,488
Mortgage int.	23,300	25,300
Bond exp. w/o	110,000	110,000
Income taxes	1,800,000	1,780,000
Net profit	1,631,060	1,332,220
Less: Pref. dividends	1,305,648	1,004,345
Surplus for year	325,412	327,875
Add: Prev. surplus	2,906,989	2,579,114
Earned surplus fwd.	3,232,401	2,906,989
†After deducting:		
Exec. remuner.	89,458	79,315
Directors' fees	10,720	10,720
Legal expenses	2,541	690
Earned per Share:		
Preference	$8.12	$6.63
Paid	6.50	5.00
Common	0.54	0.04
No dividends paid.		
Shares O/s.:		
Preference, $100 par	200,869	200,869
Common, n.p.v.	600,000	600,000
Working Capital	$	$
Current assets	6,186,624	4,969,958
Current liabilities	2,118,040	2,234,619
Working capital	4,068,584	2,735,339

Canada Vinegars

A generally good crop of vegetables and the increased volume of sales resulting from the higher level of employment was given a major share of the credit in boosting profits of Canada Vinegars Ltd., in its latest fiscal year, which ended with last November. As a result, states C. L. Carsley, president, directors were able to declare a bonus dividend of 10 cents per share along with the regular 10-cent quarterly payment on Dec. 1, bringing the total payment for the calendar year 1941 to 50 cents per share.

Although tax reserves for the year's operations were more than doubled, increasing by $30,692 and depreciation reserve was also advanced, a gain of $51,066 in operating earnings was more than able to compensate for the increase in these charges. Net profits for the year were up nearly $17,000 an increase of 18 cents per share.

During the year the construction loan on which $125,000 had been outstanding was reduced to $50,000. Other construction obligations of $31,993 were repaid in full.

Substantial increase is reported in the sale of Allen's apple juice and in Ontario and Quebec all apples that could be supplied by growers were bought by processors at prices higher than those previously prevailing, it is stated.

No relief from taxation on alcohol used in the production of vinegar has been afforded to the industry as yet, states C. L. Carsley, but representations continue to be made:

Consul. Income and Surplus Account
Years Ended Nov. 30

	1941 $	1940 $
Operating profit	184,817	133,751
Less: Depreciation	75,650	72,001
Income tax res.	50,619	19,927
Minority interest	1,500	1,732
Net profit	57,048	40,091
Less: Dividends	46,000	55,200
Surplus for year	11,048	†15,109
Add: Prev. surplus	106,490	121,599
Surplus forward	117,538	106,490
†Deficit.		
Earnings per Share:		
Common	$0.62	$0.44
Paid	0.40	0.60
Working Capital	$	$
Current assets	520,019	531,588
Current liabilities	267,763	267,653
Working capital	252,256	263,935

Famous Players

In connection with the recent offering of 4½% first mortgage and collateral trust bonds to the amount of $600,000, Famous Players Canadian Corporation issued a statement of operations for the nine months ended Sept. 30, 1941.

Net operating earnings for the period of $2,631,743 are slightly above those of the entire 1940 business year, in which operations turned in $2,624,247. Jump of over $500,000 in the allowance for Dominion taxes over those charged in the entire previous year brought net profits for the nine months down to $802,602, against $998,555 for 1940, still showing a gain over last year when the nine months figures are converted to an annual basis.

Coverage of bond interest, coming before taxes, reflects almost the entire gain in operating earnings. Bond interest in the nine months period was covered 13.24 times before depreciation and 10.41 times after, against 9.51 times and 7.40 times respectively in 1940.

Consol. Earnings
For Period Jan. 1, 1941, to Sept. 30, 1941

	$
Net oper. earnings	2,631,743
Add: Int. & dividends	133,199
Total earnings	2,764,942
Less: Depreciation	568,367
Minority interest	67,341
Amort. of equipment	22,292
Bond interest, etc.	*208,801
Prov. for Dom. inc. tax	1,095,540
Net earnings	802,602

*Includes $20,333 interest on prior lien mortgages and bonds of subsidiaries.

Times Interest Earned:	
Before depreciation	13.24
After depreciation	10.41
Earns. per Share and Divd. Record:	
Common: Earned	$1.86
Paid	0.75

DIVIDEND NOTICES

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND NO. 10

Notice is hereby given that an interim dividend of five cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on February 28th, 1942, to shareholders of record at the close of business on February 10th, 1942.

By Order of the Board.
G. A. CAVIN,
Secretary-Treasurer.

Toronto, Ontario,
January 13th, 1942.

McIntyre Porcupine Mines LIMITED

(No Personal Liability)

DIVIDEND NO. 96

Notice is hereby given that a dividend of fifty-five and one-half cents (55½c) per share in Canadian currency will be paid on March 2, 1942, to shareholders of record at the close of business February 2, 1942.

By Order of the Board.
BALMER NEILLY,
Treasurer.

Dated at Toronto, January 8, 1942.

UNITED DISTILLERS OF CANADA Limited

NOTICE OF DIVIDEND

Notice is hereby given that a Dividend of 10c per share has been declared by the Directors of the United Distillers of Canada Limited, payable in Canadian funds, on January 21st, 1942, to shareholders of record at the close of business on January 15th, 1942.

The Transfer Books will not be closed.

By Order of the Board.
A. L. McLENNAN,
Secretary.

Vancouver, B.C.,
December 30th, 1941.

U.S. Price Policy Puzzles Wheat Interests

Wide Swings at Chicago Not Reflected at Winnipeg—See Veto Possible

From Our Own Correspondent

WINNIPEG. — The Winnipeg wheat market has moved only narrowly in sympathy with much wider swings at Chicago. These fluctuations have been due to new expectations as to U. S. government action on price control. Apparently traders are quite willing to believe in the possibility of substantial further rises in the price of grains if congress does not put price ceilings in the way.

At the beginning of the week there was a sharp advance in the belief that congress would forbid ceilings on agricultural products at less than 25% advance from current market prices. A reaction followed when it was realized that this proposal was so far removed from administration ideas with respect to price control that presidential veto of such a bill was possible.

It may be wondered why if Chicago wheat can be considered an attractive purchase at present levels, Winnipeg wheat is not more attractive at levels 50 cents a bushel or so less, since ultimately some considerable part of the U. S. surplus, like that of Canada must seek an outlet in export markets. Spreading operations between the two markets is undertaken to some extent, but Chicago traders appear to be impressed by the fact that Canada has embarked on a rigorous policy of price control, and they are uncertain to what extent, or for how long, that may influence wheat prices.

The coarse grains market in Winnipeg has shown continued strength, with barley, oats and rye all touching ceiling prices, and a tendency for lower grades of barley to narrow the spread between their prices and those of the malting grades, which remain steadily at ceiling prices.

The wheat board has found it necessary to issue a statement to the effect that no payment on participation certificates issued in respect to the 1940 crop is immediately in prospect. Apparently the fact that eastern wheat of that crop had been cleaned up, and a payment made to farmers led to some expectations of a corresponding payment in western Canada in spite of the obvious fact that very large quantities of old crop wheat still remain on hand.

Reg. T. Rose Leads Edmonton C. of C.

From Our Own Correspondent

EDMONTON. — Widely known throughout Alberta where he has served in various capacities for the Y.M.C.A. for about 18 years, Reg. T. Rose has been named executive secretary of the Edmonton Chamber of Commerce. He succeeds John Blue, veteran secretary, who retired Dec. 31 due to ill health.

Expansion of the chamber's activities is expected under Mr. Rose's direction. One new step was taken recently when a farmers' section of the agriculture division of the chamber was formed. This is expected to result in closer cooperation between city businessmen and district farmers.

Week in Wheat

Gardiner's Remarks Get Close Study

Implications of Statement re Price Restrictions In Prairie Farm Assistance Act Being Widely Discussed

From Our Own Correspondent

WINNIPEG.—Close study is being given to the recent speech at Regina of Hon. James Gardiner, minister of agriculture, for indications of alterations in the wheat policy of the Dominion government for the coming crop year.

Significance centres on Mr. Gardiner's announced intention to submit amendments to the Wheat Board Act and to the Prairie Farm Assistance Act which would remove restrictions regarding the price of wheat now in effect. The act would thus provide a type of crop insurance which operates independently of the price of wheat.

The Present Policy

The present policy is necessarily divided into three sections, one relating to the Wheat Board and the guaranteed price of wheat, one relating to supplementary farm income provided by acreage bonuses generally applicable to all farmers, and the provisions of the Prairie Farm Assistance Act, for supplementing income of farmers in areas of crop failure or of poor crops.

The last of these is Mr. Gardiner's special contribution to the western situation, a contribution especially valued in Saskatchewan, where farmers admit that they are especially subject to the risk of crop failure. It is held in somewhat less esteem in Manitoba and Alberta where there is a tendency in spite of some experience to the contrary, to regard crop failures as especially a Saskatchewan phenomenon. As it now stands, the Prairie Farm Assistance Act provides assistance on the basis of the cultivated acreage of a farm, no matter what the price of wheat is, when crop failure (described as a wheat crop of five bushels per acre or less), is experienced in areas of a certain size.

But when crop yields are from 5 to 12 bushels per acre, payments are only made when the government declares an emergency year to exist, and the government has power to do so only when the average price of wheat for the first three months of the crop year is less than 80 cents a bushel. Maximum payments provided for can only be made when the average price is as low as 70 cents.

* * *

To Eliminate Price Clause

Mr. Gardiner announced an intention to submit amendments to the act which would remove this price restriction so the act will thus provide a type of crop insurance which operates independently of the price of wheat. Such insurance applies, not to individual farms, but to areas, of which the township is the minimum unit. This enlargement of provisions of the Prairie Farm Assistance Act will tend to lessen, to some extent, and mainly on the part of small farmers, and in areas most subject to crop failure, agitation for an increase in the guaranteed price basis under the Wheat Board Act.

Mr. Gardiner did not announce that there would be an increase in the price guaranteed under the Wheat Board Act, which by statute is now based on 70 cents a bushel for No. 1 northern wheat in store at the head of the lakes or at Vancouver.

But he did say that his colleague, the Minister of Trade and Commerce, would have amendments to introduce to the Wheat Board Act, and if a price increase should form part of government policy it would be provided for at that time.

There are persistent rumors to the effect that the government is considering a price basis of 90 cents a bushel, while other reports are that $1 a bushel is a probable price.

Such a price, it must be noted will not apply to a farmer's full production of wheat. During the next crop year, as was expected to be the case during the current crop year, restrictions on the quantity of wheat which may be delivered by farmers are inevitable, that is, unless, as occurred this year, total crop production is so small as to bring into play a natural, instead of a legal limitation on deliveries.

* * *

One Dollar Limit

During the current crop year, when the basic Wheat Board price was 70 cents a bushel, that price was recognized as providing an inadequate wheat income. Additional income was provided in the way of acreage bonuses aggregating $50 millions.

Some $30 millions of this was provided in payments to farmers who diverted land formerly in wheat to other crops or to summer fallow. Some $20 million additional was provided in supplementary acreage payments when the government price control measures were announced. It may be assumed that if extensive acreage payments are planned this year that the basic Wheat Board price will not be advanced to as much as $1 per bushel, while if the basic price is set much below that figure acreage payments will be considered necessary.

Those who demand the highest possible price (for the most part likely the larger farmers), will probably be willing to forego acreage payments. Those who want acreage payments continued (likely the smaller farmers), would be satisfied with a somewhat smaller basic price. It is perhaps a safe assumption that the government will consider it necessary to increase farm income by $50 millions over that which would be obtained from limited deliveries at a basic price of 70 cents a bushel. The cost to the treasury would be the same whether this should be done by price increase, by acreage payments, or by both. But there has been so much agitation for a higher price that some concession in that respect by the government is considered likely.

* * *

Acreage Payments Popular

On the other hand acreage payments have been sufficiently popular to make their complete discontinuance unlikely. Not many persons are willing to believe that the government could be induced to continue the present scale of acreage payments and at the same time make a very large advance in the basic Wheat Board price.

Mr. Gardiner announced that government wheat legislation would be referred to the Agricultural Committee of the House of Commons and that any one with representations to make would be able to appear there. This was taken to be a reference to the announced plan of the Saskatchewan Wheat Pool to take a delegation of 300 to Ottawa to present a petition for Wheat Board price of $1 per bushel plus some subsequent payment to bring the total up to "parity price." The inference appears to be that the government does not particularly want to see the delegation, but if the delegation wishes to present its petition to the Agricultural Committee it will be able to do so. Conceivably that announcement may head off the delegation. While it might impress the government there are fears in Saskatchewan that it might annoy those members of the Agricultural Committee who come from other parts of Canada.

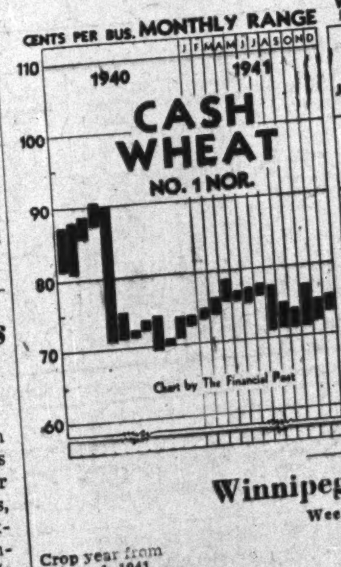
Hog Production In Alberta Up

From Our Own Correspondent

EDMONTON. — Spurred by demands for supplies for Britain, Alberta hog producers eclipsed all previous figures in hog marketings by selling approximately 1,824,000 hogs during 1941, according to provincial government figures recently released. The year's hog marketing put an estimated $33 millions into the pockets of Alberta producers.

As a result of last year's showing, it is expected 1942 will see more than 2 million hogs marketed. In 1940 the total was 1,485,382 and in 1939 it was 979,898.

Wheat Prices



Cash Quotations

	For Week Jan. 12 Hgh	For Week Jan. 12 Low	Prev. Week Hgh	Prev. Week Low
Wheat:				
1 Hard	.76¾	.75⅝	.75⅝	.74⅛
1 Nor.	.76¾	.75⅜	.75⅜	.74⅛
2 Nor.	.73½	.72⅜	.72⅜	.70⅞
3 Nor.	.71⅛	.69⅞	.69⅞	.68⅜
4 Nor.	.70¾	.68⅞	.68½	.66⅞
5 Wheat	.68¾	.66½	.66¼	.64½
6 Wheat	.66¾	.64¾	.64½	.63
Oats:				
2 C. W.	.51	.50½	.50⅜	.48¾
3 C. W.	.49¾	.49¼	.48⅛	.45⅞
Barley:				
1 Feed	.59	.58	.58⅛	.56¼
2 Feed	.58¼	.57¼	.57¼	.55⅛
Flax:				
1 C. W.	1.58½	1.55¼	1.59¼	1.57
2 C. W.	1.56	1.53¾	1.56½	1.55
Rye:				
2 C. W.	.63⅜	.62⅛	.62⅛	.59⅜

Winnipeg Grain Futures

Week to Jan. 12, 1942

Crop year from Aug. 1, 1941 High	Crop year from Aug. 1, 1941 Low		Open Jan. 6	High for week	Low for week	Close Jan. 12	Close year ago
		Wheat					
.82¾	.76¼	May	.78½	.79¼	.78⅛	.79¼	.77⅛
.80⅝	.77½	July	.79⅝	.80⅜	.79¼	.80⅜	.79⅛
		Oats					
.50	.38⅛	May	.48⅜	.50	.48⅜	.49⅞	.34⅞
.49¼	.43⅛	July	.47⅛	.49¼	.47⅞	.48⅜	.33¼
		Barley					
.62⅜	.49⅜	May	.61⅛	.62⅜	.61	.62¼	.45¼
.61⅜	.55½	July	.60⅜	.61⅜	.60	.61⅛	.43⅜
.60⅜	.57	Oct.	.57⅛	.60⅜	.57⅜	.60⅜	....
		Flax					
1.64½	1.40¼	May	1.60	1.60⅜	1.58⅛	1.60	1.50⅜
1.64	1.48	July	1.60⅜	1.60⅜	1.58⅛	1.59⅛	1.50⅛
		Rye					
.67⅜	.51⅜	May	.66	.66¾	.64⅛	.66⅜	.50⅛
.66⅝	.60⅜	July	.65¼	.65⅝	.65	.66⅝	.50⅜

TORONTO ELEVATORS LIMITED
Also Owning and Operating the Sarnia Elevator Co. Ltd.
Capacity: Toronto, 4 Million Bushels
Sarnia, 3 Million Bushels
The most modern facilities for the storage and transfer of grains, for grain conditioning, and for the production of MASTER FEEDS for Livestock and Poultry. MASTER FEEDS are endorsed and recommended by leaders in the livestock industry of Canada.
QUEEN'S QUAY - - TORONTO

FEDERAL GRAIN LIMITED
OPERATING TERMINAL ELEVATORS - FORT WILLIAM - PORT ARTHUR - VANCOUVER
423 COUNTRY ELEVATORS THROUGHOUT THE WEST
101 COAL SHEDS
Our Service and Facilities Guarantee Satisfaction

HALLET & CAREY
LIMITED
GRAIN - STOCKS - BONDS
Exporters - Grain Futures
Head Office — WINNIPEG, Man.
Branch — FORT WILLIAM, Ont.

McCABE BROS. GRAIN CO. LTD.
WINNIPEG, MAN.
Grain Commission Merchants — Shippers and Exporters — All Grains-Sacked Feeds
Country and Terminal Elevator Operators
Grain Merchandising
MANITOBA - SASKATCHEWAN - ALBERTA
Offices: DULUTH - MINNEAPOLIS

GRAIN MERCHANTS
RECEIVERS · SHIPPERS · EXPORTERS
Owning and Operating Terminal, Transfer and Country Elevators
Capacity 12,500,000 Bushels
MEMBERS
Winnipeg Grain Exchange
Chicago Board of Trade
New York Produce Exchange
and other Exchanges
Head Office, WINNIPEG - Private wires connecting offices across Canada
JAMES RICHARDSON & SONS LIMITED
EST. 1857

Flour & Wheat Exports Climb

Exports of both wheat and flour showed a material expansion in December over the same month of the previous year. Wheat exports during the month amounted to 18.2 million bushels, up 56% over the 11.7 millions shipped in Dec., 1940. For the full year wheat exports were up 41% to 196.6 million bushels from the 1940 total of 139.1 millions.

Exports of wheat flour displayed a similar trend with the December total of 930,236 bbls. being 169% higher than the December, 1940, figures of 345,611 bbls. Total 1941 flour exports from Canada were 11.4 million bbls., up 65% over the 6.9 million bbls. exported in 1940.

Details of wheat and wheat flour exports, as supplied by the Dominion Bureau of Statistics, are as follows:

WHEAT EXPORTS

	Quantity Bushels	Value $	Aver. $
December:			
1938	15,982,526	9,047,598	0.56
1939	34,412,448	26,041,163	0.76
1940	11,762,411	9,318,057	0.79
1941	18,271,042	14,295,013	0.78
12 Mos. ended Dec.:			
1938	114,178,301	89,393,814	0.78
1939	162,904,586	109,050,542	0.67
1940	139,169,671	119,530,365	0.86
1941	196,646,340	161,856,075	0.82

WHEAT FLOUR EXPORTS

	Quantity Barrels	Value $	Aver. $
December:			
1938	365,085	1,157,946	3.17
1939	902,714	3,040,213	3.37
1940	345,611	1,216,613	3.52
1941	930,236	3,713,234	3.99
12 Mos. ended Dec.:			
1938	3,911,886	17,637,743	4.51
1939	5,342,172	16,378,301	3.07
1940	6,970,902	26,351,695	3.78
1941	11,439,191	44,807,353	3.92

To Lecture on Retail Methods

Starting Jan. 20 ten weekly lectures covering the principles of efficient retail store management will be offered by the University of Toronto in co-operation with the Advertising and Sales Club of Toronto.

The lecturers and their subjects will be:

Prof. O. Preston Robinson of New York University School of Retailing, "Merchandising as a Career."

J. H. Suydam, manager, Toronto Credit Bureau, "Management of Finances of Retail Institutions."

Percy K. Heywood, general manager, Evangeline Shops, "Retail Buying Policies and Procedures."

Edgar K. Burton, general manager, Robert Simpson Co. and Administrator of Retail Trade for Canada, "Pricing Policies."

Elton M. Plant, president, Plant Advertising Agency, "Retail Advertising and Display."

John R. Rutledge, Personnel Dept., T. Eaton Co., "Customer Relations of Retail Institutions."

H. G. Colebrook, director and merchandise manager, Robert Simpson Co., "Merchandising Planning and Control Methods."

Arthur G. Pinard, president, Lowe Brothers Co., "Profit Factors in Retail Merchandising."

Prof. Malcolm P. McNair, Harvard University Graduate School of Business, "Methods of Controlling Retail Store Operations."

Norris A. Brisco, Dean of the School of Retailing of New York University, "The Application and Results of Research in Retailing."

Income Up in November

From Our Own Correspondent

MONTREAL.—Consolidated operating revenue of Jamaica Public Service for November totalled $108,994, compared with $96,310 a year ago. Net income was $28,453, against $21,564 in the same month of 1940.

Your Investment Questions Answered Without Charge

As a subscriber to The Financial Post you are entitled to information regarding any Canadian investment that you are interested in.

If not already a subscriber, address your enquiry to The Investment Department when sending in your subscription.

USE THIS COUPON

THE FINANCIAL POST,
481 University Ave.,
Toronto 2, Canada.

Please send me The Financial Post for the next year (52 issues). I enclose $5.00.

Name ....
Occupation .... F.P.
Address ....
I would like information about this investment ....
....

Week in Mining

High Prices to be Paid For U. S. Base Metals

Canada Not Immediately Affected But Possibility Exists That Greater Production Might Be Sought Here Through Higher Prices Too

The United States this week turned to radically higher metal prices in its search for increased supplies of badly needed non-ferrous metals. Metals Reserve Co., the U. S. buying agency, starting Feb. 1 will pay 17 cents a pound for all copper production in excess of 1941 output. For lead the corresponding price is 9.25 cents a pound and for zinc, 11 cents a pound.

Not only do the much higher prices apply to production in excess of the 1941 output but they apply to new 1941 producers and all output of future new producers. Agreements will be made for a period of 2½ years from Feb. 1, 1942, and consideration will also be given to longer contracts.

In Canada, special tax treatment has been the chief means used to encourage expansion to date. A considerable expansion in output is in prospect but it is not clear that further steps will not have to be taken. The Metals Reserve Co. has been buying metals outside the United States and possibly it may yet consider the new high prices to stimulate production from Canada.

• • •

Mr. King Stays Out

In a reply to a letter of the "National Kirkland Lake Strike Committee," Prime Minister King has reiterated the stand of his government on no intervention in the Kirkland Lake strike. The strike has now been in effect since Nov. 18. Referring to his original refusal to intervene Mr. King states "I may say that the developments since have served only to strengthen that conclusion."

Hopes of the strikers to secure intervention seem practically eliminated by Mr. King's latest letter. "Attempts at further intervention might indeed only tend further to prolong the dispute and to delay its ultimate settlement," was the view expressed by Mr. King. Representatives of mining companies and strikers have been carrying on talks with Mr. Mitchell in Ottawa but there has as yet been no concrete result.

• • •

New Tungsten Mill

Tungsten continues to hold the immediate spotlight in the war metal field. In this column last week, the equipping of prospectors with ultraviolet rays to allow them to watch for tungsten in their travels was discussed. The possibility was also mentioned that a tungsten mill might be erected in northern Ontario to supplement that already operated by the Bureau of Mines at Ottawa.

Since then, it has been announced that Hollinger Consolidated Gold Mines will construct a $50,000 mill for treatment of scheelite, the ore of tungsten, which occurs at Hollinger and other Porcupine mines such as Preston East Dome. Hollinger plans to treat ore from adjacent Porcupine mines and an important output of tungsten appears possible.

• • •

Save Shipping Expense

Hollinger and Preston East Dome in the past have made several shipments of scheelite to the Bureau of Mines at Ottawa but erection of Hollinger's own mill is considered an advantage due to elimination of shipping expense.

"We are by no means certain that the production of tungsten will be profitable to us," E. L. Longmore, Hollinger superintendent, stated in announcing the company's decision to erect the mill. "However, the government needs it for war industry and we are hopeful that the scheelite can be found in sufficient quantity to make the venture a success."

• • •

Magnesia Production

A. O. Dufresne, Deputy Minister of Mines for Quebec, in reviewing mining activity in Quebec this week, gave the following interesting information on production of magnesia from deposits of brucite in that province. Said Mr. Dufresne:

> "The Aluminum Co. of Canada is constructing a plant near Wakefield for the treatment of a brucite-bearing limestone. Brucite is a hydroxide of magnesium, and it is found at several points in the Gatineau region. This marks the first step in the commercial recovery of the mineral in Canada.
>
> "Magnesite, the carbonate of magnesium, has been mined for a number of years at the Canadian Refractories mine at Kilmar, where the output is largely used in the manufacture of refractory materials."

• • •

Arsenic Valuable Now

For many years, arsenic has been a problem at a number of Canadian gold mines. Not only has it made the recovery of gold from ore difficult but it has entailed considerable expense through the necessity of erecting storage capacity for the arsenic turned out. Arsenic could not be left by itself in the open. No market for it could be found that would justify shipment.

The arsenic produced—which is in the form of arsenic oxide—has become valuable through the war, however. A ready market now exists and it is understood that it is being shipped from the Beattie Gold Mines property in Duparquet twp. and the O'Brien mine in the Cadillac area.

• • •

Used Equipment Sought

Competition for second-hand mining equipment is becoming very keen. With equipment deliveries for new mines of a most uncertain character due to the priority of war orders, many mining companies are in the market for used equipment.

Old abandoned mining properties are again being combed over—this time for valuable equipment. One old mine is expected to yield 500 tons of old iron and steel scrap which is in great demand at the present time.

Hudson B. Buys Mandy Control

Offer Remaining Shareholders 25 Cents a Share For Holdings

A block of 1,728,007 shares of Mandy Mines has been purchased by Hudson Bay Mining and Smelting Co. from Tonopah Mining Co. and Toronto interests at 25 cents (Canadian) a share, it was announced by Hudson Bay Mining and Smelting Co. this week.

The block of stock represents a controlling interest in Mandy which has an issued and outstanding capital of 2,500,005 shares.

Plan Asset Purchase

Along with the announcement of the purchase of these shares, Hudson Bay Mining and Smelting Co. announces that it plans to offer to purchase the assets of Mandy Mines at a price which will allow the liquidation of the assets of that company with shareholders receiving 25 cents a share. If and when the purchase of the assets by Hudson Bay Mining and Smelting Co. is completed, it is planned to apply for the winding up and liquidation of Mandy Mines.

Hudson Bay Mining and Smelting Co. is now making an offer to each registered shareholder of Mandy Mines to immediately purchase shares at 25 cents per share on presentation of certificates.

Properties Adjoin

No statement is made as to the reason for Hudson Bay acquiring the Mandy property, but it is presumed that the property is being taken over due to some possibility of ore being opened up some time in the future or because the property is desired as a source of flux.

Mandy property adjoins Hudson Bay holdings to the southeast. Mandy is a former producer, having turned out close to 10 million pounds of copper from 1917 to 1920. Development has been carried out from a shaft sunk to the 1,025-ft. horizon with levels at approximately 100-ft. intervals.

There is estimated to be 96,000 tons of ore blocked out averaging 5.75% copper, 17.4% zinc and $3 a ton in precious metals.

Eldorado Meets War Problems

Demand For Radium Better But Shortages Become More Serious

While demand for radium has shown a sharp improvement since the low spot of the summer of 1940, Eldorado Gold Mines is still encountering difficulties, chiefly in securing adequate supplies of raw materials, The Financial Post is informed.

Some parts of the company's plant are working on a 24-hour basis at present and the company is endeavoring to build up supplies of radium to take care of demand should the war seriously interfere with the company's operations. Day by day, increasing difficulty is being found in securing adequate material supplies for requirements. In the case of war business, however, the company has had no difficulty in securing its requirements.

Radium is being used in war industries chiefly for its value as a luminous paint for instrument boards in aircraft. It is also being used to detect flaws in exceptionally large castings. An official talking to The Post said that he didn't know how extensive the use of radium might become before the war is over but that the great increase in aircraft production may mean an increase in the use of radium.

Radium has a strong competitor in the aircraft instrument panel field, and while radium has superior qualities it also has the disadvantage of being 20 times as expensive. Radium does not depend on a supply of power for illumination, however, and this is the chief advantage held over its leading competitor.

Finding Competition

While invasion of Belgium meant loss of a radium refinery, it has not resulted in Eldorado becoming the only factor in the radium marketing field. Before the German invasion, big stocks of radium had been transferred from Belgium to the United States and, it is estimated that there are more supplies available for marketing there than Eldorado would turn out in say three or four years. The Belgian interests apparently anticipated demand for radium by several years and are supplying a large part of the U. S. market.

England is probably the largest single market Eldorado has at the present time. Some difficulties have been encountered in connection with foreign exchange and this situation is not altogether clear.

Eldorado officials find it impossible to tell just what proportion of radium is used for war purposes. It is pointed out that supplies contracted for by a hospital in England, for instance, may be used for the treatment of wounded soldiers.

Consideration is being given to re-opening the company's mine next summer but there are many things that must be gone into before taking this step. If equipment is ordered, it might be six months before deliveries could be secured. Apparently it might be the summer of 1943 before concentrates could be brought out from the mine. The finished product could not be placed on the market before Jan. 1, 1944.

When the Eldorado mine was in operation, expenses there were $400,000 per annum. Suspension of operations at the mine has meant a speeding up of the process of converting inventories of concentrates into cash but it has done nothing to alter the profit situation. This is due to the fact that mine expenses are charged up against the inventory of concentrates produced.

Water Conservation Planned To Help Hudson Bay Power

From Our Own Correspondent

WINNIPEG.—Approximately 150 miles north and west of Flin Flon, where the Reindeer Lake pours out through the Reindeer River over a vast network of waterways, a big water conservation scheme is under way this winter to allow the holding back of waters of Reindeer Lake as a reserve to maintain a steady flow of water at the Island Lake Falls plant of the Hudson Bay Mining and Smelting Co.

At what is known as the Sand River rapids, about 5 miles from the southerly end of Reindeer Lake, the river runs through a gorge with high walls on either side and it is split in the middle by an island of solid rock. At this strategic point, the dam will be constructed. It will be 35 ft. high and each section will be about 85 ft. long.

Camps are already being constructed and a road is being prepared for haulage from Island Falls, approximately 80 miles to the camp site. Early in February, perhaps a little before that, actual hauling of the 2,000 odd tons of material which will be required to construct the dam will start. The work will cost about $400,000 exclusive of the cost of preparing a haulage road from Island Falls to the dam-site. There is already a good road from Flin Flon to the Island Falls plant.

Time for construction is necessarily short. The ice does not go out of Reindeer Lake until June and often forms again in September. The flood waters come down from the north usually sometime in July.

The Sand River rapids lie between the southern extremity of Reindeer Lake and Fafard Lake.

Dr. J. B. Tyrrell Looks at Gold

Finds it Well Worthy of Continued Labor

By DR. J. B. TYRRELL
President,
Kirkland Lake Gold Mining Co.

Just now our country needs an enormous amount of money to pay for its war expenditures. Most of all it needs U. S. dollars to buy motors for airplanes and tanks, machine tools and many other items necessary to our war programme which we cannot readily supply ourselves.

In providing these U. S. dollars no single item of our exports makes such an important contribution as gold. At a relatively small expenditure in labor and supplies, our gold mining industry is providing $200 millions of foreign exchange a year. The yield in foreign exchange per worker is the highest of all industries.

And gold is playing an important role in the war effort in addition.

Suppose Canada's production of approximately $200 millions a year were suddenly cut off. Either our war effort would have to be curtailed or Canada would have to go "on the cuff" to the United States to the tune of $200 millions a year. If the war lasted five years, it is conceivable that Canada might incur $1 billion of indebtedness in the United States—indebtedness that might seriously hamper the Canadian economy in the postwar period.

Far-reaching Shock

Of course, it is the war effort now and not the postwar prospect that is of first importance. The immediate shock of confidence of cutting off gold production would be far-reaching. Not only would the even tenor of business be disturbed, but floating of war loans might prove impossible; a financial crisis might be precipitated.

The United States wants increased quantities of non-ferrous metals at the present time, but that should not be allowed to hide the importance of continued production of gold.

The Dominion Government is endeavoring to increase the supply of available U. S. dollars by encouraging expansion of a number of industries which will provide increased exports to the United States. This is a step in the right direction, but remember that in gold mining Canada has an established industry which does not now require large capital expenditures to supply U. S. dollars.

Production Per Man

Available data indicates that gold mining is the most productive of any of our industries in supplying foreign exchange. In 1940, quartz-gold mines of Canada, as distinguished from alluvial and copper-gold-silver mines (in the latter of which gold was more or less of a by-product), produced $178,790,485 worth of gold. To do this, 31,405 men were employed at the mines, giving an average yield of $5,693 worth of gold for every man engaged in and around the mines.

In the same year, Kirkland Lake Gold Mine, which may be taken as typical produced new gold worth $2,157,789, with an average of 285 employees, or at the rate of $7,550 worth of gold per employee.

In addition, taxes equal to $1,017 per man were paid quite independent of any taxes paid by individual employees or shareholders.

The expenditure of effort in turning out some $200 millions of gold in Canada each year is by no means as great as the value of the gold produced. When taxes, margin of profit and write-offs for past expenditures both on development and equipment are considered, the actual expenditure in labor, supplies and equipment, etc., may not far exceed half the amount of gold produced.

With gold mines now economizing on their use of new equipment wherever possible, it is evident that gold mines are playing an important part in turning out as much gold as possible at low expense.

About the Future

Some people are nervous about the future use of gold. But its usefulness and value is vouched for by the fact that the entire population of the world has used and esteemed it for thousands of years, and this esteem is not going to be uprooted in one generation.

Therefore, without entering into the argument of what gold will be worth in the 21st century we can adopt the sensible plan and continue to mine gold, feeling certain that we will have no difficulty in marketing our product.

Suppose our production of gold were not available with Canada forced to incur a heavy debt to the United States. Confidence of Canadian investors would be seriously disturbed. Many institutions as well as individuals would be affected. Insurance companies hold large blocks of gold stocks. Banks have made large advances against gold mining securities—and advances too, against anticipated profits of gold mining. Even if gold mining should be but slightly curtailed, financial stability of many institutions might be involved as well as the welfare of many individuals. Trust funds have been invested in gold mining.

From the viewpoint of continued public confidence in our ability to prosecute the war, a steady flow of gold appears of first importance.

Mining Enquiries

Noranda Mines

Please give whatever information you have available on current earnings of Noranda Mines, the trend of earnings and ore reserves ahead for the years to come.

—

In spite of sharply increased taxation, it appears that earnings of Noranda Mines in 1941 were somewhat higher than $4.51 a share earned in 1940, and that they may have approached close to the $4.98 a share reported for 1939 which was the best year in the company's history. Estimated earnings for the first nine months of 1941 were equal to $3.53 a share, compared with $3.33 a share.

From available statistics on tonnage of ore milled, it appears that Noranda increased its production somewhat in 1941 although we cannot be absolutely certain on this point. The increase in the level of earnings, however, can be attributed chiefly to dividend income from other enterprises in which the company is interested. Operations such as Waite Amulet Mines, Kerr-Addison Gold Mines and Proprietary Mines have been doing very well and their dividends are now being reflected in Noranda earnings.

Unfortunately, wartime restrictions do not allow further publication of ore reserve data and we are unable to supply you with the current ore reserve figure. It would probably be safe to assume, however, that ore reserves are slightly under those reported for the end of 1939. At the end of 1939 they were about 14 to 15 years' requirements.

Gold Frontier

Can you tell me what work has been carried out at the property of Gold Frontier Mines in the Red Lake area? Would you say that enough ore had been outlined to justify a mill?

—

Gold Frontier Mines has developed a small tonnage of high-grade ore in underground development and work is being continued with treasury shares sold to provide finances. Recently, a new north vein was explored at surface and with some encouraging assays secured in this section, it has been decided to put down a prospect shaft in this sector.

It is doubtful if sufficient ore has so far been outlined to justify construction of a mill. Some milling equipment is already on the property, but steps have not been taken to install it to date. Probably the difficulty of raising adequate finances may be handicapping the company in its plans.

Yukon Consolidated Results Hit By Severe Dry Season

From Our Own Correspondent

VANCOUVER.—Drought, the most severe ever experienced in the Klondike mining field, made the past season an exceedingly difficult one for the Yukon Consolidated Gold Corp., according to a report issued by Secretary G. R. F. Troop for the board of directors.

The summer of 1940 was abnormally dry and the snowfall last winter was light, followed by a spring and summer of little rain. Low temperatures set in early in October, with the result that operations were adversely affected, and early in November six dredges shut down. The last dredge closed down for the season late in November.

Result — Lower Output

Gold production for the season was consequently less than in the preceding year—$2,325,000 compared with $2,621,000. A 10-day shutdown in August as a result of labor trouble was a contributing influence.

During the season a total of 8.2 million cubic yards of gravel were dug, of which 419 million cubic yards, yielding $1,985,000, were on ground included in the company's proved gravel reserves.

Operating Profit $960,000

The company's operating profit for 1941, after payment of Vancouver and London office expenses but before depreciation and amortization, is estimated at $960,000.

New construction during the past season cost $458,000, and stripping and thawing in advance of operations $219,000. Purchase of supplies against future requirements accounted for $158,000.

Payment of dividend No. 3 has been deferred until the end of another operating season, and cash will be conserved to meet spring requirements this year. Operating outlook is described as distinctly better than in 1941, with the full fleet of 10 dredges in production.

Privateer Plans Smaller Output

Will Allow Treatment of Lower Grade Ore — Pay 4 Cents in February

To allow treatment of lower grade ore known to be available, Privateer Mine has decided to reduce monthly production from the previous average to approximately 2,100 oz., the company announces.

Reflecting the new policy, output in December totalled 2,107 oz. from 2,675 tons of ore milled compared with 2,165 oz. from 2,612 tons of ore in the preceding month. Value of output with gold at $38.50 was $81,120 in December as against $83,367 for November.

"Considerable Tonnage" Ready

In drawing attention to the decision to treat lower grade ore, the management states there is a considerable although undetermined tonnage of this ore which can be treated at a profit.

The company has declared a quarterly dividend of 3 cents a share plus an extra of 1 cent a share, payable Feb. 10, 1942, to shareholders of record Jan. 25. Shareholders are warned not to expect an extra with the next dividend.

Operation of the mine and mill have continued in a smooth and efficient manner, the company reports. Development is reported to have been very satisfactory with more ore chances to be developed than ever before. It is planned to report particulars of some of these at a later date.

Week in Oils

Brown Plan May Change Turner Valley Practice

Brown Plan Issued

A new plan for conservation in Turner Valley and operation of the field's oil and gas wells, involving a radical departure from the plan now in effect, has been laid before the Alberta Petroleum and Natural Gas Conservation Board and Turner Valley operators by Dr. George Granger Brown, petroleum engineering expert of the University of Michigan.

The plan is now being considered by the industry and, if acceptable, will be placed in effect without delay in its present or in modified form by the Conservation Board.

• • •

How the Plan Works

In essence, the Brown plan is this. Since every leaseholder (company or royalty owner) has a right to all the "fluid"—be it oil or gas or both—in the formation underlying his lease, every producing well should be limited to the same maximum rate of withdrawal of reservoir fluid per assigned acre, and should not be allowed to drain fluid from under the adjacent leases.

This doesn't mean that each well, regardless of productivity or efficiency of operation, should be allowed to or be required to produce the same amount of crude oil. It does mean that every well draining the Turner Valley pool, regardless of its classification or size, should be limited to the same maximum rate of withdrawal of reservoir fluid—made up of both oil and gas.

• • •

Withdrawal Based on Area

The plan fixes the total fluid volume that can be withdrawn per acre per day. In the case of gas wells and high gas-oil ratio oil wells the fluid would consist largely of natural gas. The allowable fluid recovery would consist less and less of gas and more and more of crude oil, the lower a well's gas-oil ratio. Where the gas-oil ratio of a well exceeds 2,000 cu. ft. per bbl. natural gas may represent 60% or more of the reservoir fluid volume. If the gas-oil ratio is 800 cu. ft. per bbl., or 1,000 or 1,500, natural gas may represent a small fraction to one half of the total fluid volume.

Dr. Brown recommends that the maximum volume rate of withdrawal of reservoir fluid be set at a reservoir volume of 25 bbl. per acre per day. For a well on a 20-acre lease, this would mean a maximum reservoir fluid withdrawal of 500 bbl. per day.

• • •

66 Acres Biggest Lease

For a well on a 40-acre lease—the majority of Valley wells are in this group—the maximum reservoir fluid withdrawal would be 1,000 bbl. per day. The maximum withdrawal would be proportionately greater for wells assigned more than 40 acres. Dr. Brown suggests that in no case should a well be assigned more than 66 acres. Thus the maximum possible withdrawal of reservoir fluid would be 1,650 bbl. per day under the Brown plan for a well assigned 66 acres.

The same general rule would apply to all wells, be they oil wells or gas wells. Every well would be limited to the same maximum rate of withdrawal per day per acre, but the proportions of gas and oil produced by each well would naturally vary widely, dependent upon the well's gas-oil ratio, formation pressure and general ability to produce.

• • •

See Gas Wastage Cut

Conservation, it should be remembered, is essentially a measure to prevent wasteful dissipation of gas, since natural gas is the only energy present in the Turner Valley limestone to force crude oil from the formation into the hole and thence to the surface.

The general purpose of the plan advanced by Dr. Brown would be to ensure more efficient operation of all wells, and to further reduce gas wastage in Turner Valley.

Actual oil output of the wells now operating with low gas-oil ratios would not, it is believed, be greatly affected. In several such cases, oil output would be the same or larger than at present. In other such cases output would be slightly reduced. High gas-oil ratio oil wells would, of course, be curtailed through reduction of their allowable gas production, while most gas wells would be strongly curtailed.

• • •

How Wells Would Fare

The following examples show how typical wells might fare under the new plan as compared with that now in effect. What has been said in the preceding paragraphs should, of course, be borne in mind. The figures after each well name are the present daily oil allotment and the estimated yield per day of crude oil in January if the Brown plan were adopted:

Well:	Actual Daily Allowable bbls.	Daily Output Brown Plan bbls.
Ace Royalties 1	676	503
Alberta Oil Incomes 1	156	163
Alberta Oil Incomes 2	545	578
Calwin Royalties 1	26	20
Home Millarville 1	435	570
Home Millarville 2	627	822
Home Millarville 3	316	410
Home Millarville 4	236	330
Home Millarville 5	235	300
Home Millarville 6	79	95
Home Millarville 7	630	775
Independent Royalties 1	221	283
Intercity Royalties 1	75	37
Lion Sunray 1	329	320
Major Oil 1	187	160
Major Oil 2	868	713
Major Oil 3	1,115	1,020
Miracle Royalties 1	835	835
Northwest Hudson Bay 6	542	670
Regal Royalties 1	79	90
Vanpeg Royalties 1	35	13
Winalta Royalties 1	109	112

Provided that every well produced its full reservoir allotment, the application of the Brown plan would not greatly affect the total production from Turner Valley oil wells, although yield from individual wells would be somewhat revised. In actual practice, however, and because of the efforts that would be made to curtail gas-oil ratios, the plan might mean production of 23,000 to 25,000 bbl. per day, in the opinion of Dr. Brown.

CONTINENTAL LIFE
FOUR SQUARE

THE CONTINENTAL LIFE INSURANCE COMPANY in its annual report for 1941, shows continued sound progress and added strength:

Business In Force - - - - $46,204,981
Increase For Year (4.30%) $1,904,096

Total Assets - - - - - - $11,231,186
Increase For Year - - - - - $613,670

Policy Reserves - - - - - $9,577,827
Increase For Year - - - - - $472,915

Total Receipts, Premiums, Interest, etc. - - - - - $1,980,424
Increase for Year - - - - - $140,754

Vigilant attention to and equitable treatment of Policyholders and beneficiaries marked the activity of all branch offices throughout Canada. In addition to all other services branch offices conveyed to Policyholders and beneficiaries payments totalling $852,819.

The Continental Life Insurance Company
JOHN W. HOBBS, President
HEAD OFFICE — TORONTO
NEWTON J. LANDER, Managing Director
PROGRESSIVE • SOUND • ATTENTIVE • EQUITABLE
Branches in the Principal Cities Across Canada

Position of Chartered Banks of Canada as of November 29th, 1941, Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. Due to Dominion Government	Deposits by and Bal. Due to Provincial Governments	Advances from Bank of Canada	Demand Deposits in Canada	Savings Deposits in Canada	Deposits Elsewhere▲	Bal. due to other Banks in Canada
	$	$	$	$	$	$	$	$
Montreal	17,420,588	52,695,711	12,222,670	....	319,959,741	415,570,555	93,399,157	2,845,519
Nova Scotia	7,227,102	14,106,470	1,211,561	....	76,109,905	150,478,819	50,841,192	3,607,882
Toronto	2,980,969	9,201,209	1,815,936	....	59,410,663	85,931,070	353,534	170,515
Provinciale	2,275,760	1,732,113	245,797	....	11,751,096	39,407,998	14,342	758
Commerce	14,929,826	25,300,862	16,713,968	....	224,791,094	327,141,407	66,137,812	782,469
Royal	22,325,889	31,385,428	11,538,097	....	334,471,549	338,929,991	228,751,134	19,867
Dominion	3,882,409	6,579,796	742,662	....	48,429,650	77,645,406	9,154,170	1,246,086
Nationale	3,606,662	4,911,973	2,406,175	....	42,563,420	103,086,485	429,103	1,115,351
Imperial	3,956,235	11,806,308	13,854,517	....	57,624,632	95,281,406	1,293,118	1,658,431
Barclays (Canada)	595,160	3,200,931	6,363	....	5,118,828	5,728,218	3,315,054	103,450
Total	79,200,600	160,920,801	60,757,746	....	1,180,230,578	1,639,201,355	453,688,616	11,550,328

NAME OF BANK	Due to Banks in U.K.	Due to Banks Elsewhere	Bills Payable	Letters of Credit outstanding	Other Liabilities	Dividends Declared and unpaid	Reserve Fund	Capital Paid Up	Total Liabilities
	$	$	$	$	$	$	$	$	$
Montreal	6,412,672	10,219,705	....	19,439,225	4,575,498	736,351	39,000,000	36,000,000	1,030,497,397
Nova Scotia	886,420	1,339,586	....	28,713,9[illegible]	167,688	367,005	24,000,000	12,000,000	371,057,612
Toronto	479,526	426,379	....	2,809,856	....	150,538	10,000,000	6,000,000	179,730,201
Provinciale	....	25,980	....	151,710	3,625	60,196	1,000,000	4,000,000	60,669,382
Commerce	3,810,978	7,056,068	....	27,084,921	....	54,500	20,000,000	30,000,000	763,803,909
Royal	2,308,596	8,699,530	6,606	35,906,480	1,820,317	747,196	20,000,000	35,000,000	1,071,910,686
Dominion	383,285	273,960	....	2,257,210	685,273	5,603	7,000,000	7,000,000	165,285,515
Nationale	57,960	635,309	....	334,832	41,888	145,215	5,000,000	7,000,000	171,334,379
Imperial	1,008,212	613,115	....	3,502,123	....	14,261	8,000,000	7,000,000	205,612,363
Barclays (Canada)	2,916,414	894,847	....	1,226,874	11,358	....	750,000	1,500,000	25,367,502
Total	18,264,063	30,184,479	6,606	121,427,206	7,305,647	2,280,865	134,750,000	145,500,000	4,045,268,946

SUPPLEMENTARY INFORMATION

NAME OF BANK	Capital Authorised	Capital Subscribed	Last Dividend	*Loans to Directors and firms of which they are Partners	Average Notes and Deposits with Bank of Can.	Greatest Amount of Notes in Circ.
	$	$	%	$	$	$
Montreal	50,000,000	36,000,000	8	396,231	84,936,322	17,947,998
Nova Scotia	15,000,000	12,000,000	12	2,689,524	27,383,000	7,379,021
Toronto	10,000,000	6,000,000	10	533,722	21,319,940	3,018,179
Provinciale	5,000,000	4,000,000	6	168,385	7,298,295	2,306,650
Commerce	50,000,000	30,000,000	8	962,235	68,838,132	15,942,302
Royal	50,000,000	35,000,000	8	1,258,011	83,133,821	23,528,352
Dominion	10,000,000	7,000,000	10	542,329	13,681,027	4,267,624
Nationale	10,000,000	7,000,000	8	160,581	15,558,992	3,631,382
Imperial	10,000,000	7,000,000	10	575,367	16,295,629	4,204,645
Barclays (Canada)	1,500,000	1,500,000	....	3,818	1,854,486	608,275
Total	211,500,000	145,500,000	....	7,290,203	340,299,653	82,834,428

▲Of this amount, $53,235,260 represents deposits in Canada in currencies other than Canadian. *And loans for which they are guarantors.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin Held in Canada	Gold and Subsidiary Coin Held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes of Other Banks	Govt. and Bank Notes other than Canadian	Cheques on other banks	Balances due by other banks in Canada	Due by banks in U.K.
	$	$	$	$	$	$	$	$	$
Montreal*	1,458,805	68,582	23,299,164	57,194,089	830,204	559,844	36,410,206	....	5,771,037
Nova Scotia	420,156	901,432	6,768,686	21,450,043	197,578	7,208,726	11,201,933	....	7,598,260
Toronto	285,342	....	4,079,420	21,212,616	117,885	53,769	6,487,159	....	404,110
Provinciale	276,152	....	2,013,495	5,233,987	86,270	25,909	2,927,358	564	16,622
Commerce†	965,080	167,430	14,113,757	49,170,702	375,886	2,037,199	23,748,381	31	5,684,264
Royal	1,789,393	1,830,544	23,616,848	62,925,378	646,663	23,468,217	46,251,360	2,763	14,156,193
Dominion	321,326	206	2,966,989	8,836,937	191,185	133,202	7,968,677		2,716,701
Nationale	571,513	....	5,727,709	12,019,454	102,105	37,758	5,908,353	1,810,830	32,182
Imperial	373,899	....	5,718,665	7,288,498	203,485	85,405	9,901,571	645,621	155,650
Barclays (Can.)	4,187	....	102,026	1,772,930	3,675	2,352	471,693	1,020,768	1,708,379
Total	6,465,853	2,968,184	88,406,759	247,104,634	2,754,936	33,612,381	151,276,691	3,480,577	38,243,398

NAME OF BANK	Due by banks elsewhere	Govt. sec. short term	Govt. sec. long term	Canadian municipal securities	Public sec. other than Can.	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada
	$	$	$	$	$	$	$	$	$
Montreal*	33,954,803	251,816,665	197,103,912	17,456,242	24,823,003	24,624,708	3,880,433	14,257,573	248,410,749
Nova Scotia	18,551,083	52,310,946	57,323,035	10,397,330	2,073,586	9,431,606	3,388,195	863,498	108,628,107
Toronto	2,870,417	32,545,085	36,883,796	2,634,210	....	3,577,379	1,146,775	....	60,260,632
Provinciale	729,827	6,788,103	7,491,520	10,585,014		1,606,466	2,989,135	....	14,449,186
Commerce†	20,405,619	194,374,245	146,773,330	8,683,726	29,379,755	13,454,560	8,670,507	9,163,749	242,340,658
Royal	59,391,345	299,903,172	161,328,787	7,484,368	13,849,027	31,449,226	7,340,019	16,484,997	241,782,846
Dominion	5,750,631	21,191,400	19,654,497	1,583,957	667,500	1,862,933	1,507,262	1,629,490	79,468,699
Nationale	1,742,561	33,026,518	22,715,949	14,624,051	11,673	4,334,470	3,457,481	....	49,966,485
Imperial	3,786,199	34,953,512	41,157,048	6,425,429	....	47,261	3,053,951	....	79,039,998
Barclays (Can.)	2,912,201	3,853,219	7,355,598	1,000	25,000	....	179,625	....	4,282,035
Total	150,094,686	930,762,865	697,787,472	79,875,327	70,829,544	90,388,615	35,613,383	42,399,307	1,128,629,395

NAME OF BANK	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-Current loans	Real estate other than Bank premises	Mortgages on real estate	Bank Premises	Deposit for note circulation	Other assets	Total assets▲
	$	$	$	$	$	$	$	$	$	$
Montreal*	20,709,571	4,099,831	27,299,288	893,423	431,250	493,520	13,900,000	1,015,765	1,612,817	1,031,814,725
Nova Scotia	12,688,477	1,618,730	2,362,741	411,373	....	83,783	5,803,663	424,519	2,493,097	373,214,561
Toronto	....	....	3,438,170	55,224		8,776	3,179,813	175,559	....	182,226,002
Provinciale	....	28,892	2,377,789	74,869	426,114	277,746	2,063,930	129,913	129,565	60,880,145
Commerce†	18,212,473	6,027,167	13,094,692	1,276,959	2,313,207	976,510	13,951,917	852,000	4,593,164	767,891,910
Royal	75,554,655	1,036,891	15,648,081	1,574,684	1,801,258	667,449	14,228,242	1,200,000	3,800,862	1,075,119,761
Dominion	597,214	808,349	264,758	146,949	24,562	36,087	5,387,787	219,170	201,363	166,395,053
Nationale	....	319,533	7,327,049	179,572	1,543,157	644,941	4,754,714	215,611	178,255	171,586,768
Imperial	....	279,840	3,671,943	222,917	36,486	217,538	5,587,547	232,034	....	206,586,630
Barclays (Can.)	....	....	....	5,227	....	....	442,411	23,751	....	25,392,956
Total	127,762,390	14,219,233	75,384,511	4,841,197	6,576,034	3,406,350	69,300,024	4,488,322	13,009,123	4,061,108,511

*The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above statement.—Footnote to Bank of Montreal return.

†The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement.—Footnote to Canadian Bank of Commerce return.

▲Total assets include $121,427,206 letters of credit outstanding as shown in liabilities.

Are Some of Your Stocks Just Wallpaper?

Here Are Earmarks of Some That May Come Back

> ***It is seldom possible to know that a mining stock is entirely valueless, this article shows. Stocks you cannot sell today may just possibly be "comers" tomorrow.***
>
> ***How to size up your inactive issues is important business. It is not proposed to cover all the points in this article — a book would be required to do that — but the chief factors to consider in deciding the ultimate possibilities of your "dodos" are reviewed and evaluated.***

By **GORDON M. GRANT**
Staff Writer, The Financial Post

Do you hold a boxful of mining stocks which once represented great hopes—perhaps a fortune "on paper" —but which no longer appear in published quotation lists?

If you do, you have lots of company. Since gold mining markets started falling apart in 1937, many "white hopes" have joined the inactive list. Many issues only represent memories as far as current news is concerned. Many stock certificates seem only good for wallpaper now.

But don't write off these old mining investments too rapidly. Hoary old veterans have the habit of rearing their heads at most unexpected moments. It is often difficult—or impossible—to say that a stock certificate is entirely valueless.

How One "Dodo" Made Good

One particular case comes to mind. Mr. X, let us call him, purchased a block of old Bidgood Consolidated stock at 5 cents. He passed up a chance to sell his shares at close to a 100% profit and finally with deep regret saw Bidgood Consolidated become bankrupt. Shares were removed from the old Standard Stock Exchange and the company's property was sold at auction with insufficient realized to meet the claims of creditors. Mr. X was ready to write off his investment and call it a day.

But the story doesn't end there. The people who purchased the Bidgood Consolidated property allotted a block of new Bidgood Kirkland stock to old Bidgood Consolidated shareholders purely as a goodwill gesture. There was a 1-for-12 stock exchange with new shares selling around 25 cents. Mr. X felt better but still hardly happy. To conclude the story, however, Mr. X finally sold his Bidgood Kirkland shares at $1.75 each. Profit on the investment was close to 200%. This true story demonstrates forcefully how mining shares sometimes make a comeback.

The case of Mr. X was unusual, of course, but things like this happen often enough in the mining business that mining shares cannot readily be declared absolutely valueless even with the passage of years.

Many Inactive Issues Today

In the stagnant gold mining market of early 1942 there are many issues that appear of little immediate value. Even producing gold issues show little or no response to important mine-making news. Bids for better grade issues sometimes are thin. Raising money for new ventures has become difficult and often impossible. Labor and supplies are problems for new enterprises even when money has been available.

But things may not always be thus. In more than one quarter it has been suggested recently that gold will be a cornerstone of any postwar settlement — with perhaps a higher price to help carry the burden of debt. In the postwar period the dormant prospects of today may have another innings. If a higher price for gold should become a reality, prospects which have been turned down in recent years because they were marginal might find important new interest. The whole field of gold mining prospects might secure a new going over.

Naturally not all mining prospects would be likely to secure a new investigation. A great deal of money was spent in 1935 and 1936 on moose pasture—ground whose only claim to fame was a location 10 miles from Kerr-Addison or perhaps in the same province as Lamaque and Sigma.

Keys to Future Success

While it is impossible to say what properties will witness a revival in the future, it is possible to give some indications.

How the individual mining company can answer the following questions will determine in large part whether it has a future ahead of it.

Has this company been able to develop any ore? If not, did work give indications—and assays—that suggest a real chance of opening a mine?

In mining, ore—and ore possibilities—are of first importance in stimulating interest of capital in future development. Many companies have still untapped possibilities along these lines. Some aren't working because no one has been sufficiently interested to put up money for the opening of a mine at this time. Others could get money for development even today, but the interests which are willing to finance want to drive too hard a bargain. Still other companies could secure financing, but present managements are unwilling to hand over control to some new group.

Here is a short list of companies which have disclosed possibilities which might result in further development at a later date. The list, of course, is a partial one.

Albany River
Athona
Barber Larder
Beaucourt
Brock
Cons. Chibougamau
Douglas Lake
East Rouyn
Hutchison Lake
Joliet-Quebec
Martin Bird
Opemiska Copper
Orpit
Pelletier Lake

Often grade of ore indicated may seem just a little below the point where an operation would be attractive. But a little further expenditure might reveal more intriguing possibilities. Most newly developed producers are properties which were not carried through to the production stage by first operators. Some of the properties which failed to reach the production stage in the last decade may be making headline news perhaps five or 10 years hence.

Here are some key questions on capitalization, important to the eventual development of the individual company:

What is the capitalization? Did the company start out with a large number of shares authorized? Does the company still possess a large number of unissued shares?

Capitalization is not of first importance in determining eventual success or failure in mining, but it has an important bearing on it. Even if a property has impressive ore showings, it may not be possible to secure adequate finances without putting the company "through the wringer," as the mining fraternity calls a reorganization or share scale-down. On the other hand, a good capital stock position, say a 3 million-share authorized capital with only half issued, will not necessarily be beneficial if a satisfactory answer cannot be given to the question of ore.

Bond Financing

If a mine is in an advanced stage of development, the fact that a large proportion of the authorized share capital has been issued may not interfere too seriously with financing. Many companies have been financed in recent years by issue of bonds carrying a bonus of common shares.

If there are insufficient shares in the treasury for bonus purposes, some large shareholder may possibly contribute sufficient shares to allow the mine to be financed. In several instances, banks have made advances with no bonus of shares involved.

Suppose a property is not in an advanced stage of development and all the company's shares were issued with only moderate results. A one-for-three capital reorganization may be necessary if new money can be interested in further development at all.

But capitalization and ore indications aren't the whole story. Here are angles from a third viewpoint:

Where is the mining property located? Is it in an area which has resulted in many producers or one where disappointment has been the common experience? Is the property on strike of the favorable formation? Is ore likely to come into the property from a neighboring mine on rake or dip?

A mining property can achieve eventual success even if it has no actual ore showings and even if it is overcapitalized. Many properties have been promoted because they were in good areas. Location has been too strongly stressed, but the importance of location cannot be ignored. Macassa won eventual success not because there were ore showings or because diamond drilling gave encouragement, but because the company's property was on the westerly strike of the main Kirkland Lake formation and a crosscut from the adjoining Kirkland Lake mine was successful in establishing an ore deposit at depth.

No Two Areas Alike

All mining areas are different. In some places there is a single main break and no mines are found off it. In Sudbury we find an eruptive rim and mines may be found on a circle. In Porcupine there are several breaks. Generally speaking, ground on the line of strike is several times as valuable as ground off the strike which may have to depend on possibilities of a parallel break being discovered.

Rake and dip are becoming more important in Canadian mining as properties are worked to greater depth. Ore bodies sometimes plunge along their strike at depth and ore bodies have been known to migrate from one property to another. Watching results at neighboring mines may often reveal an increasing importance for a neighboring mine. If an ore body dips into its neighbor at depth, it is usually most economical to carry out exploration from the first-developed mine if this can be arranged.

But still another factor comes along in considering the eventual value of a property — backing or management. Consider these:

Has the property the backing of people who have a real mine-making record? Are they strong financially or have they friends who will back their judgment with money?

Management is always important. If the management represents experienced mining people, statements on results have probably been conservative. Chances are that development of the property would not have been undertaken in the first place if possibilities had not been really encouraging. Results may have been disappointing, but not have been entirely negative. If the management is really first class—and the property has possibilities—it will likely get another chance later on. A good management does not usually "pull out" of something that may have looked really good until a thorough test has been made. A long list of producers might be mentioned, however, where even large mining companies have made mistakes.

All Quotations Not Printed

When a stock disappears from quotations on the listed or unlisted market, it does not necessarily mean that the stock is valueless. There are perhaps as many issues quoted on the unlisted market as those that appear in the press, but they are not actively enough traded to allow publication of day-to-day quotations. When a mine is being financed, there are usually people sufficiently interested in the project to see that a market is maintained in a stock. That is usually an essential of mine financing. When a mine shuts down, no one is interested in the issue and buyers may be simply lacking even though important intrinsic values may be there.

The real test comes later when the factors mentioned above come into play.

Drill Big Copper Showing Located West of Sudbury

Following intensive prospecting of the Murray Fault which extends west from Sudbury through to the Soo, extensive copper showings have been located in Baldwin twp., a short distance west of the big mines of the Sudbury area, The Financial Post is informed by D. R. O'Gorman, who is pioneering work in this section.

Altogether about 2,000 acres has been acquired by the O'Gorman Prospecting Syndicate and the Mutual Developers' Syndicate covering the finds, consisting partly of staked ground and partly of optioned land. Ore samples show heavy chalcopyrite and bornite mineralization, evidently carrying heavy copper values.

20% Copper Over 12 Ft.

One channel assay taken in the northwest part of the property returned 20% copper over 12 ft. A mile to the east of this, five parallel veins have been located and it is here that present work is being concentrated. The favorable zone in this area is a mineralized width of 900 ft. which contains the veins which Mr. O'Gorman states show impressive indications of copper values. The veins run up to 75 ft. and 100 ft. in width and, according to Mr. O'Gorman, they give evidence of carrying important copper values. It was decided to carry out a drilling programme a short while ago and the company is now working on its third drill hole. It was thought that a good possibility existed of the schist between veins carrying enough values to constitute ore and the first hole was put down to determine the character of the schist.

This hole was put down to a depth of 149 ft. before drilling was suspended due to a shortage of water. It was put down south at 45 degrees so the hole represented a true width of about 100 ft. It is stated to have returned consistent indications of disseminated chalcopyrite and pyrrhotite. Assays are not yet available on this hole and a second hole has been drilled from the south contact to the north at a point 1,000 ft. to the east of the first hole. This hole is stated to have shown the same disseminated ore as the first hole to its bottom at 150 ft. depth. A third hole is now being started approximately half way between the two holes already drilled. After these pilot holes have been completed, it is planned to put down deeper holes to cross section the entire mineralized width, copper-bearing veins as well as schist. Another drill is to be taken in to do this work.

A short distance north of this main break, the Springer break is located. One channel taken across it ran 19.72% copper over 18 ft.

Copper showings are widespread on the holdings of the two syndicates which extend along the formation a distance of three miles. Information is naturally meagre yet due to the limited surface trenching and sinking of test pits.

Vein Runs 8 to 10% Copper

South of the vein which returned 20% copper across 12 ft., about half a mile, is a 30-ft. wide vein which is stated to run roughly 8 to 10% copper for a 700-ft. length as indicated by surface work done. It is the extension of this area that is now being drilled to the east.

The area in which the copper showings have been secured is not part of the Sudbury nickel eruptive rim but appears to represent a westerly offshoot of the south side of the rim on which the chief mines of the Sudbury area are located.

Inco Shares Better Now U. S. Journal Thinks

Increased attractiveness to the American investor of International Nickel shares—and of other Canadian investments—is seen by the Financial World, New York weekly, in its last issue of 1941. For the last year some American publications have been steering readers away from Canadian securities but, from what the Financial World says, this situation may now be changing.

Since Canada placed exchange control in effect, shares of Canadian securities have been selling "across the line" at a substantial discount in relation to prices existing in Canada, even after allowing for the discount on the Canadian dollar. With a shift in sentiment, this gap may be narrowed and stocks such as interlisted Canadian mines may benefit marketwise.

Inco Yield High

With shares of International Nickel selling at $24 in the United States, the company's stock in the U. S. is at its lowest level in the last eight years. It affords a yield of 7.1% there on the basis of the $2 U. S. dividend, even after allowing for the 15% tax deduced at the source by the Canadian Government. Summing up its survey of the International Nickel situation, the Financial World says: "The stock is suitable for consideration at present prices, not only as a war speculation, but also on the basis of its longer term peace potentialities."

The Financial World sees Canadian stocks in general as much more desirable—from the American investor's viewpoint—now that the United States is also at war. United States industries are seen laboring under the war handicaps which have already been afflicting Canadian industry—rising costs, increased taxes, scarcity of equipment, etc.—so much of the relative disadvantage of Canadian securities has disappeared.

If Americans are to take an increased interest in Canadian securities, it appears quite possible that security markets in Canada would soon reflect this trend. There has often been a feeling in Canada that certain interlisted issues have been held down because they were being traded at relatively low prices in the United States.

Ever since September, 1939, there seems to have been apathy toward stocks of a country at war but that condition seems to be passing today. In spite of the entry of the United States into the war there has been no major break in United States securities markets and on odd days the United States market has shown considerable rallying power.

Bidgood Nearly Normal Again

Milling operations at Bidgood Kirkland Mines are back close to normal again despite the strike which has been in effect in the Kirkland Lake area since Nov. 18.

During December, the company produced $45,408 from 3,407 tons of ore for an average recovery of $13.33 per ton and a daily average of 110 tons milled. Only in June, 1941, had recovery been higher than in November while the daily milling rate of 110 tons compared with an average of 111 tons for the full year.

Situation "Clearing"

The labor situation as far as the company is concerned is stated to be "clearing." Development is not being carried on quite as extensively as prior to the strike but there has been no serious drawing on reserves of broken ore.

Men now at work seem to be turning out a larger quantity of ore on the average than prior to the strike. In December there was an average of 16.16 tons of ore broken per machine shift compared with an average of 12.11 tons in pre-strike month of October. There were 1.62 tons of ore milled per man shift in December compared with 1.12 tons in October.

A total of 2,456 tons of ore were broken in stopes in December compared with 4,395 in October. There were 951 tons more milled in December than were broken in stopes, but there were 498 tons of development rock milled. Consequently, only 453 tons of broken ore reserves had to be drawn for milling, which is not considered a very serious condition by the management.

While the tons broken per machine shift in the stopes went up considerably, it is expected a further increase will be shown in January since several new men had to be broken in during December.

In addition to the 300 ft. of ore opened up in the new ore shoot on the 250-ft. level, 100 ft. of ore has been opened on the 375-ft. level and approximately the same length on the 500-ft. level, it is stated. Grade of the new ore has averaged $15 over drift width.

Mining Concentrates

Buffalo Ankerite Gold Mines has purchased 13 additional claims to the southeast for cash, it is stated.

* * *

Central Patricia Gold Mines reports a sharp increase in production for the last quarter of 1941:

Quarter ended:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
Dec. 31, 1941	37,674	409	15.89	508,839
Sept. 30, 1941	35,920	390	11.77	423,047

* * *

Dome Mines reports lower production for December:

1941:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December .	51,800	167	12.16	630,274
November ..	51,700	172	12.51	646,793

* * *

Hematite iron ore is reported to have been located in diamond drilling on a group of 70 claims in the Loon Lake area, Ontario, a district long known for iron showings. Work is being done by Butler Bros. of Duluth with the claims stated to extend over a distance of five miles. Loon Lake is 35 miles from Fort William.

* * *

Hollinger Consolidated has declared its regular four-weekly dividend of 5 cents a share payable Jan. 28, 1942, to shareholders of record Jan. 14.

* * *

Island Mountain Mines Co. operating profit for the nine months ended Sept. 30, 1941, totalled $331,562. This compares with $234,062 for the same period of 1940. Production showed a slight increase in December:

1941:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December ..	4,313	139	18.43	79,447
November ..	4,334	144	18.30	79,332

* * *

International Mining Corp. advises 500 shares were reacquired for retirement during December at an aggregate cost of $900. Issued capital is now 490,475 shares of which 489,973 shares are outstanding in the hands of the public and 500 shares are in the treasury of the corporation.

* * *

Kirkland Lake Gold Mining Co. showed reduction in output the last quarter of 1941 due to the strike in effect in the Kirkland Lake area since Nov. 18:

Quarter ended:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
Dec. 31, 1941	23,547	256	14.96	352,363
Sept. 30, 1941	38,073	414	14.05	535,000

* * *

Marbenor Malartic Gold Mines has established a new zone parallel to the main Malartic zone in which a chlorite schist is intruded by mineralized dikes, J. P. Norrie reports.

* * *

Naybob Gold Mines has its shaft down 1,300 ft. with completion to 1,400 ft., plus the sump, scheduled for the end of the month. Persistence of the 213-1 ore body to 65 ft. above the 200-ft. level has been established by intersections of $9.45 over 2.5 ft. and $9.80 over 3 ft. in a drill hole. Three holes from the 300-ft. level gave an average of $5.90 across 3 ft. for a length of 80 ft. These established the downward extension of the 213-2 ore body and indicated a further extension of the same zone for 100 ft. eastward.

* * *

Paymaster Consolidated production edged narrowly higher in December although average recovery declined:

1941:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December ..	17,703	571	8.75	155,071
November ..	17,252	575	8.98	155,035

* * *

Sheep Creek Gold Mines production was lower in December:

1941:	Tons milled	Tons daily	Recov. per ton $	Total recov. $
December ..	4,790	155	16.45	78,779
November ..	4,580	153	19.37	88,703

* * *

Sturgeon River Gold Mines produced $40,722, in December, compared with $42,024 in November.

* * *

Silverado expects to start diamond drilling on its property in Gowganda Ontario, shortly.

* * *

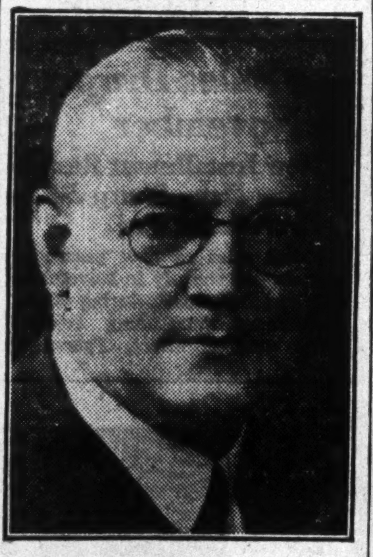
Sherritt Gordon Mines will install equipment costing $125,000 to allow recovery of zinc values and the making of zinc concentrates. The company has contracted to supply 50 million pounds of zinc to the Metals Reserve Co., the United States buying agency, over a two-year period.

* * *

Shenango Mining Co. is reported to have located two new veins with widths of 3 to 5 ft. Only limited work has been done on the new veins and further work will be necessary to determine their full possibilities.

* * *

Wendigo Gold Mines recovered $30,086 from 2,810 tons of ore in December for an average recovery of $10.70 per ton. Production was lost for 4½ days due to a breakdown in the mill during the month.



DIRECTOR

Arthur Cross of Montreal, president of the Dominion Steel & Coal Corp., has been elected a director of the Royal Bank of Canada. Before joining the Dominion Steel & Coal Corp. Mr. Cross was managing director of the Port Alfred Pulp & Paper Corp. He is on the boards of a number of other Canadian corporations.

Dubuisson Works On Deep Hole

After encountering serious difficulties in getting through the overburden, Dubuisson Gold Fields is now drilling its No. 16 hole in bed rock with some greenstone formation cut already, according to a report of J. P. Norrie.

While a considerable width of greenstone was found after bed rock was reached, no mineralized diorite dikes have so far been encountered but the hole is to be continued to 1,500 ft. for cross-sectioning the property. A further hole is planned 400 ft. to the west after which drilling will be done to the east.

Mr. Norrie's report on the drilling reads as follows:

"Drill hole No. 16 is being drilled 45 degrees south at a point 300 ft. west of hole No. 14. The overburden in this hole was the most difficult encountered in my experience. Rock was found at 271 ft. in the hole.

From 271 ft. to 595 ft., the easterly extension of the Malartic Gold Fields shear zone was found in this hole. The rock consisted of highly schisted greenstone and tuffs. The shear zone is found to be widening to the east which may be a favorable factor. No mineralized diorite dikes were encountered.

"This hole will be drilled to 1,500 ft. to provide a cross-section near the centre of the property in an effort to find parallel shear zones.

"Hole No. 17 will be drilled 400 ft. west of No. 14 after which further drilling to the east will be done."

Inquiries invited regarding Canadian Industrial and Mining Investments. We specialize in the Dividend Paying Gold Mines and in new gold mining properties under present active and encouraging development.

A. E. OSLER & COMPANY

Established 1886 Members The Toronto Stock Exchange
Osler Bldg., 11 Jordan St. Phone ADelaide 2431

EASY RUNNING AND FAST

Script mimeo
BOND

For fast and easy running on your duplicating jobs use Script Mimeo BOND.

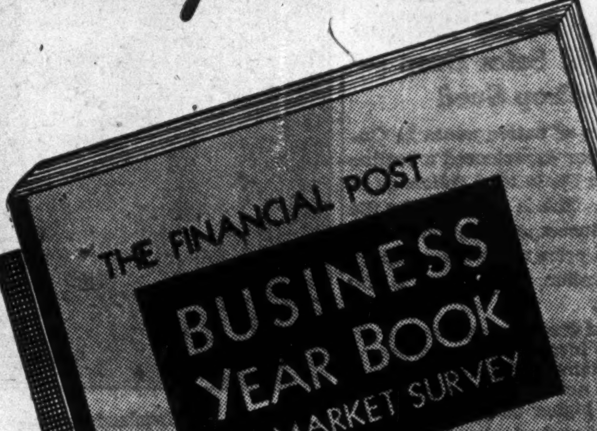
Less Fuzz, less Fuss. Its uniformity and opacity assures a cleaner, faster job.

Made by Provincial Paper Limited, in pure white and four attractive colours. Leading paper dealers everywhere sell and recommend it.

A free trial package will be sent on request.

A PROVINCIAL PAPER

MORDEN, HELWIG, FERRIE LIMITED
Insurance Adjusters
HAMILTON, LONDON, WINDSOR, KITCHENER,
ST. CATHARINES, SARNIA, CHATHAM, OWEN SOUND



Ready Soon

New 1942 Edition

Up-to-Date Information Every Business Needs

Pictorial Summary of Canada's War Effort . . . Amounts of war contracts by industries . . . war's effects on certain company earnings . . . data on war financing . . . tax changes . . . plus all the usual valuable data as to population, agriculture, electric power, industrial progress, transportation, etc., etc.

18th CONSECUTIVE YEAR OF PUBLICATION

The Market Survey Section

This important feature covers potentialities of Canada by provinces and of Newfoundland. In addition, particular data on over 400 cities and towns—population, assessment and other municipal information, building permits, industrial progress, buying power, etc.—a most valuable guide for all business executives, especially sales and advertising managers.

BUSINESS YEAR BOOK AND MARKET SURVEY 1942
184 Pages 12" x 9"
$2

Order Your Copy Today!

THE FINANCIAL POST,
481 University Ave., ...1942
Toronto, Canada.

Send me, postpaid on publication .... copies of The Financial Post BUSINESS YEAR BOOK and MARKET SURVEY, 1942.

Herewith $ .... in payment.

NAME ....
ADDRESS ....
.... 508

Looks For Better Stock Prices

Investment Expert Argues Late 1942 to See Greater Confidence

A group of highly trained Toronto men, all concerned with economic and financial questions, each year calls upon a member to forecast what the coming year may have in store for stocks, another for bonds and another for commodities.

While these forecasts are made privately and must remain anonymous the three statements have been made available to The Financial Post. This week, the forecast of stock market action in 1942 is published in summary form. Others will follow in successive issues

Stock markets in Canada should end 1942 at a level moderately above those prevailing at the beginning of the year.

The early months of this year are not likely to see particularly active or higher markets but, as the year advances, a somewhat more broad, though still highly selective, investment market with gradually rising prices and lower yields of common stocks can be expected. The average yield on industrial shares may decline about 1% as a result.

The major factors that accounted for the unsatisfactory performance of last year—loans and taxes, uncertainty, repatriation and control—will have a somewhat lessened effect in 1942.

Operating in favor of the stock market are such factors as the generous yields now offered compared with the bond yields and the likelihood that, by the end of the year, the strength of the Allies should be most impressive, offsetting the bad news to be expected from time to time. Excess profits taxes are now known and proving less unpleasant than at first feared. They have removed the possibility of extra high profits but increased volume of business has demonstrated that it will not be an entirely profitless war for Canadian industry.

New taxes may have to be faced in 1942 but the policy and purpose of the price ceiling legislation would seem to lessen the likelihood of the imposition of new taxes on commodities which would raise cost of manufacture and costs to the public. In theory, with prices and costs fixed, companies should have no higher excess profits taxes to pay although the minimum for corporation taxes may be adjusted upward.

Fear that taxes would imperil dividends has not been borne out. Well-managed, essential industries have paid regular dividends and increased call on the productive facilities of the country has resulted in resumption of dividends in a number of cases. The result is a gain of about $7 millions in total 1941 dividends over those for 1940.

Priorities and Controls

Extent and effect of the present bans on production, shortages of raw materials and any future actions along this line are of utmost importance in determining the stock market for 1942.

Cars, tires, gasoline, steel products and many other lines are already affected.

These controls are designed to convert every last machine and all available labor and raw materials into the production of war products, a shift that cannot be accomplished overnight and some lags are to be expected. To some companies this means little, if any, change as they are already to a large extent on war work.

Extent of lost earnings as a result of these adjustments cannot be estimated at this time, but as the year advances it is to be expected that there will be orders for every machine to take up the slack which has developed.

Effect Becomes Clear

By fall, two results should have been achieved—greatly increased war production and because of the inability of the public to buy many articles, more money in the pockets of Canadians than ever before.

While first call on new supplies of earnings will be war loans, it seems probable that a fair proportion of these funds will find their way into other securities. With discount bonds few and far between, common stocks offer attractive opportunities because of their generous yields.

Careful Selection Needed

Problems ahead of business in 1942, because of controls and shortages of raw materials, make it essential that investment in stocks be carefully selected. War stocks should be given first place. Investments should be confined to well managed companies with an established record of earnings and dividends and at the same time to companies whose raw materials are assured, either from domestic sources or priorities.

Securities of companies engaged chiefly in the manufacture of civilian goods should be very carefully scrutinized. In merchandising, many lines are developing into liquidating propositions, necessitating a careful selection in this group.

Pulp and paper companies, textiles, transportation, iron and steel, beverages and certain foodstuffs have given a good account of themselves to date from an earnings point of view. These should continue to operate at capacity, ensuring continuance of dividends, barring any unforeseen circumstances.

Utilities Doubtful

Securities of power companies and other utilities have felt the impact of increased cost with no compensating increased price for their product. Such companies should benefit from the ceilings on prices to the extent that their cost will become more stable. It may be possible to give more consideration to securities of some of these companies before long.

In the mining group, base metals would appear to have better possibilities for 1942 than gold. There will be a market and demand for every ounce of base metal that can be produced, whereas the current shortage of steel makes it necessary for new and old gold mines to control expansion. No further tax concessions will be allowed to gold mines, whereas there appears every possibility of tax concessions for the base metals.

Confidence Grows

Public confidence in the outcome of the war and faith in the position of business after the war is likely to grow steadily this year. Industry will operate at capacity, with a few exceptions, and indications are that 1942 will see all previous records for production broken.

It is doubtful, however, if earnings will increase materially in 1942 although there is every possibility that they will be more or less maintained. The same controls which tend to stabilize earnings should bring confidence in the ability to maintain present dividend rates.

With approach of full employment, Canadians will have more money to spend than ever before and fewer goods to spend it on.

In the face of these conditions, appreciation of the soundness of common stocks of good companies should gain wider acceptance and the demand for attractive yields will force up prices considerably by the end of the year.

PROFESSIONAL DIRECTORY

LEGAL

FENNELL, PORTER & DAVIS
ROBERT FENNELL, K.C. DANA H. PORTER
BRUCE P. DAVIS
BARRISTERS, SOLICITORS
Telephones ADelaide 7382-7383-7384
CABLE ADDRESS, "THIMSON."
TORONTO CANADA

W. M. COUPER, K.C.
Advocate, Barrister, Etc.
486 St. John St., Montreal
Tel. Marquette 3005

Pitblado, Hoskin, Grundy, Bennest & Drummond-Hay
Pitblado, Hoskin, Turner, McEwen & Alsaker
Barristers, Solicitors, &c.
Winnipeg, Manitoba

CONSULTING ENGINEERS

Shoemaker & Burnham
CONSULTING ENGINEERS
Specializing in Mill Design, Metallurgy, Power and Mining Plants.
Room 1201-1207
45 Richmond St. West,
Toronto, Ont.
Waverley 4466

DEPENDABILITY
Its ability to get the news and interpret it accurately is what leads wise investors in Canadian securities to rely each week on
THE FINANCIAL POST
$5 One Year — $2.50 Half Year

THE GENERAL ENGINEERING COMPANY
(CANADA) LIMITED
ENGINEERING CONSTRUCTION
OPERATION OF INDUSTRIAL PLANTS
100 Adelaide St. West WA. 8605 Toronto

CHARTERED ACCOUNTANTS

Ronald, Griggs & Co.
Chartered Accountants
WINNIPEG
SASKATOON

NORMAN B. McLEOD
CHARTERED ACCOUNTANT
KENT BUILDING - TORONTO
Phone: WAverley 6460

McDonald, Currie & Co.
Chartered Accountants,
Licensed Trustees & Receivers
MONTREAL TORONTO QUEBEC OTTAWA

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants
Rutherford Williamson, F.C.A. Harold A. Shiach, F.C.A.
D. J. Sales, C.A. W. F. Gibson, C.A.
TORONTO — MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A. F. R. McCutcheon, C.A.

CLARKSON, GORDON, DILWORTH & NASH
CHARTERED ACCOUNTANTS
15 Wellington Street West, Toronto
Toronto—Montreal—Hamilton—Winnipeg—Vancouver
E. R. C. CLARKSON & SONS
Licensed Trustees and Receivers
15 Wellington Street West, Toronto

CHARTRE, SAMSON & CO.
Chartered Accountants, Licensed Trustees and Receivers
Successors to
LaRue & Trudel and Samson, Knight & Co.
MONTREAL QUEBEC ROUYN

MILLAR, MACDONALD & CO.
Chartered Accountants
WINNIPEG, MANITOBA

ROBERTSON, ROBINSON, McCANNELL & DICK
Chartered Accountants
D. H. McCANNELL — Licensed Trustee in Bankruptcy
Sterling Tower, Toronto

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

THORNE, MULHOLLAND, HOWSON & McPHERSON
CHARTERED ACCOUNTANTS
E. J. HOWSON
R. S. McPHERSON
Licensed Trustees
FEDERAL BUILDING
TORONTO
GALT
KITCHENER

Wineries' Sales And Net Slip

Higher Prices Account for 5% Sales Drop — Grape Crop Good

Producers of native wines in Ontario last year experienced a decline of less than 5% in total gallonage of wines sold. This is attributed by the Wine Producers Association to the increase in price made necessary by higher taxation, amounting to 27c per gallon.

Profits of the wineries, before allowing for income tax, were generally maintained close to the 1940 levels but net profit will be lower due to the higher taxation.

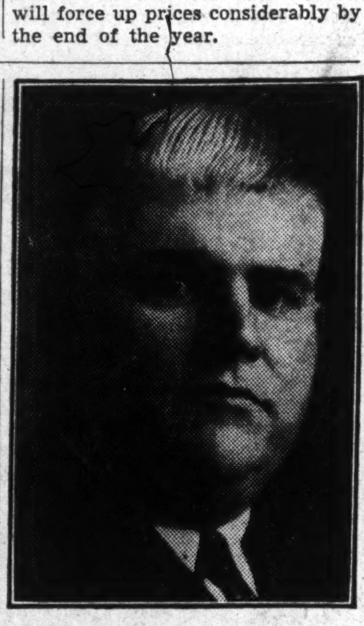
Increased cost of wine inventories added in 1941, because of higher priced grapes and other materials, has not yet materially affected profits. These increased costs will show up in lower operating profits in future years, it is stated.

Good Grape Crop

Last year's grape crop in Ontario was of unusually high quality, with sugar content up approximately 20% over the previous year. This means, states the Wine Producers Association, that wine from last year's grape crop will be of superior quality.

The industry paid grape growers about $1 million last year for grapes, a gain of $250,000 over 1940. The minimum price paid by the wineries was $50 a ton, an increase of $10 a ton over 1940 and there were about 16,000 acres of vineyards. Quality and quantity of grapes is being continually improved, it is stated.

Shutting off import of foreign wines is expected to make itself felt in 1942 in increasing sales of Ontario table wines such as champagnes and dry white and red still wines. Sales of these types of Ontario wines have not been large in the past, but a number of wineries have been developing these wines and are now producing sparkling and still wines.



Norman C. Urquhart, prominent Toronto businessman, who has been appointed a member of the Board of The Royal Bank of Canada.

Alberta Farmers Get Big Bonus

From Our Own Correspondent

EDMONTON. — Alberta farmers probably will receive about $6 millions from the federal government as a result of Ottawa's recent declaration that 1941 be considered a crop emergency year for the foothills province. This is the figure given by W. C. Barrie, Alberta director for the wheat acreage reduction scheme.

The payments would be made under terms of the Prairie Farm Assistance act and about 38,000 Alberta farmers have filed applications for grants. The government also had declared 1940 an emergency year. The 1941 payments are expected to start shortly after claims have been checked and audited by the Dominion treasury staff in Edmonton and forwarded to the P.F.A.A. headquarters in Regina. The grants are made where wheat yields have been light.

Light Legislative Menu Ahead for Alberta House

From Our Own Correspondent

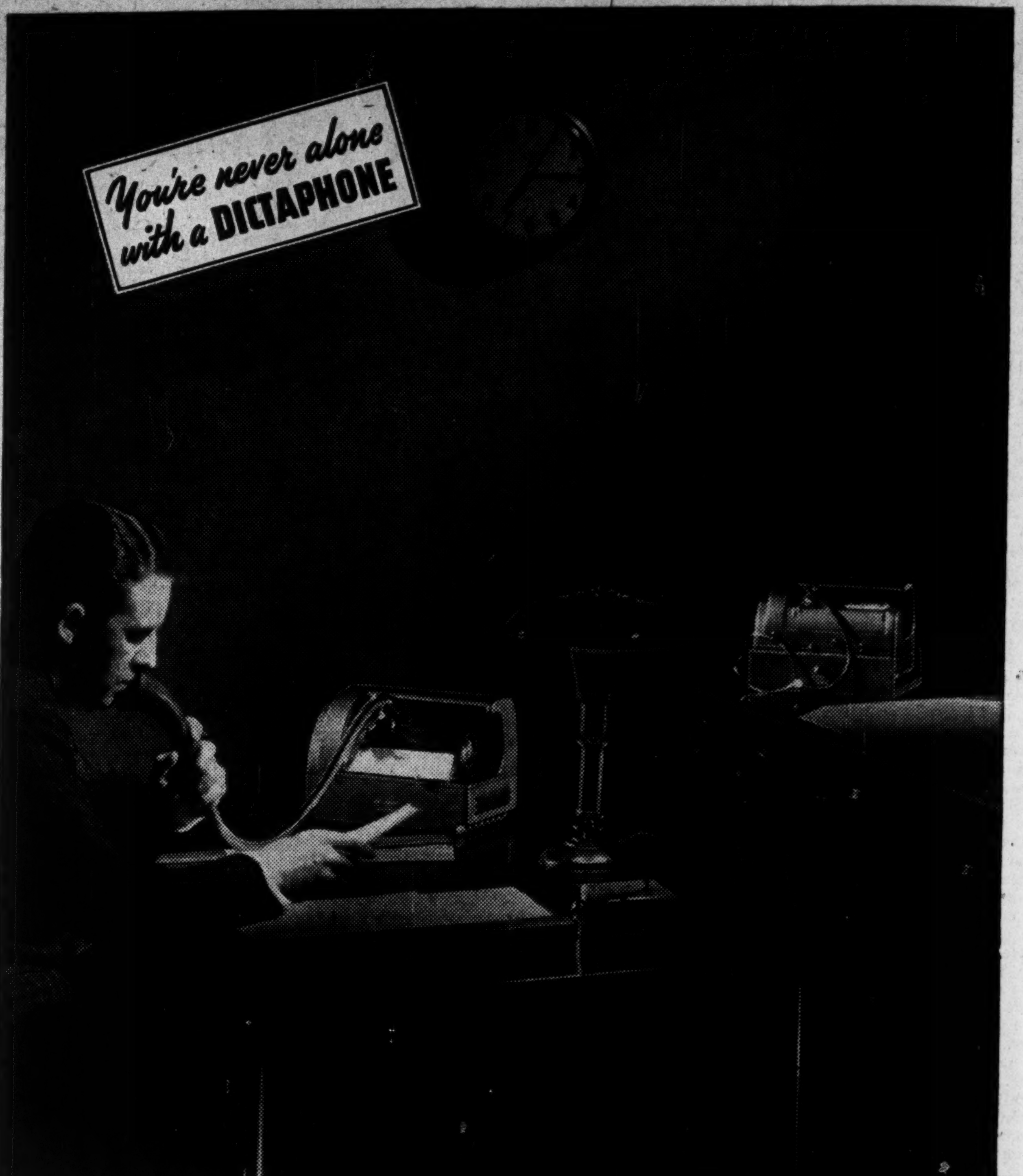
EDMONTON.—Second session of the ninth Alberta Legislature will open in Edmonton, Jan. 29 and advance indications point to a light legislative programme. If that holds true, it will be the first time since Premier Aberhart took office in 1935 that the session has not drawn out for weeks and scores of bills been introduced.

Recent court rulings that the Debt Adjustment Act and the Orderly Payment of Land Debt Act are ultra vires may result in some new debt legislation coming before the house. No hints have been given on what may be expected along this line.

Recent hook-up of the Social Credit forces with the Democratic Monetary Reform Organization of Canada also may produce some legislative action, observers believe. Premier Aberhart recently issued a lengthy statement stressing the fact that the Reform group is not "just another political party." He explained that under the D. M. R. O. plan every province, when organized, will be an autonomous unit with the D. M. R. O. merely "a coordinating body for purposes of national action on national issues."

He said the organization had decided not to enter the political field "as a party."

Among acts almost certain to come before the house are measures to transfer the income and corporation tax fields to the Dominion control for the war duration and to amend the University act in accordance with a report expected from the special committee which has been investigating administration and organization of the University of Alberta.


You're never alone with a DICTAPHONE

DICTAPHONE

Dictaphone Corporation Ltd., 86 Richmond St., W., Toronto.

☐ Please send me free copy of "Business Expects Every Man To Do His Duty."
☐ I should like to try Dictaphone in my own office without cost or obligation.

Name..........

Company..........

Address..........

The word DICTAPHONE is the Registered Trade-Mark of Dictaphone Corporation, Makers of Dictating Machines and Accessories to which said Trade-Mark Is Applied.

Car Sales Drop In November

New Installment Restrictions Have Sharp Effect On Retail Sales

Retail sales of new passenger cars dipped sharply in November, the first full month during which installment purchasing restrictions were in effect. Passenger car sales totalled 3,385 units with a retail value of $4,671,472, as compared with 7,616 cars worth $9,101,223 in November a year ago. This represents a drop of 56% in number and 49% in value.

In the first eleven months of 1941 there were 79,775 new passenger cars sold for $103,640,620, down 14% in number and 1% in value from the 93,014 units which retailed for $104,378,408 in the same period of 1940.

New trucks and buses sold in November totalled 1,782 units valued at $2,257,025, up 17% in number and 14% in value over the 1,525 commercial vehicles which sold for $1,985,032 November, 1940. For the first eleven months of 1941 there were 32,218 commercial vehicles sold for $39,985,533, up 21% in number and 28% in value from the 26,618 vehicles which sold for $31,274,673 in the same period of 1940.

St. Lawrence Flour Alters Dividend Rate

St. Lawrence Flour Mills Co. has declared a dividend of 35 cents per share on its common stock, payable Feb. 2, 1942, to shareholders of record Jan. 20. Prior to this declaration, common dividends had been paid at the rate of 25 cents per share quarterly, plus an extra of 50 cents per share annually.

WAR-TIME ACTIVITIES OF THE BANK

Some of our war-time banking activities:

- Financing of war contracts.
- Cashing payroll cheques at par for Army, Navy, Air Force and civil services.
- The Dominion War Time Prices and Trade Board Regulations.
- Registering of Victory Bonds and forwarding remittances.
- Selling War Savings Certificates and Stamps.
- Taking War Savings Pledges, making the authorized deductions from the accounts and forwarding payments to Ottawa.
- Issuing export and import permits as agents for the Foreign Exchange Control Board.
- Buying and Selling Exchange covering imports and exports.
- Passport service and permits for travel funds.

Imperial Bank of Canada stands ready, wholeheartedly and with all its resources, to play its part in Canada's war effort. The Bank is in a strong position to finance war industries, and business generally of every kind, useful and productive at this time.

IMPERIAL BANK
OF CANADA

HEAD OFFICE—TORONTO — BRANCHES THROUGHOUT CANADA